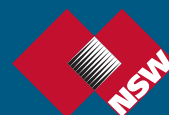




ANNUAL REPORT 2008–2009

# Local focus, global reach



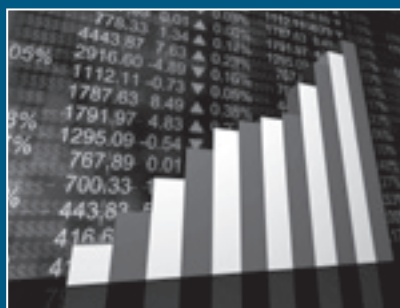
Department of State and  
Regional Development



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- 3 Organisation chart
- 4 Director General's Year in Review 2008–09
- 6 Performance highlights
- 8 Corporate framework
- 9 Financial overview
- 13 Future directions
- 14 Key Result Areas – Operating environment

## Key Result Areas



1

Facilitate  
business  
investment

Page 16



2

Increase  
business  
competitiveness

Page 21





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3

Develop an attractive business environment

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4

Market the strengths of Sydney and NSW

Page 31



5

Support science, research and innovation

Page 36



## Industry & Investment

**The Hon. Ian MACDONALD, MLC**

Minister for Primary Industries  
Minister for Mineral Resources  
Minister for State Development  
Level 33 Governor Macquarie Tower,  
1 Farrer Place,  
Sydney NSW 2000

**The Hon. Jodi MCKAY, MP**

Minister for Commerce  
Minister for Tourism  
Minister for the Hunter  
Minister for Science and Medical Research  
Level 32 Governor Macquarie Tower,  
1 Farrer Place,  
SYDNEY 2000

**The Hon. Steve WHAN, MP**

Minister for Emergency Services  
Minister for Small Business  
Minister for Rural Affairs  
Level 11,  
52 Phillip Street,  
SYDNEY NSW 2000

**The Hon. Phillip COSTA, MP**

Minister for Water  
Minister for Regional Development  
Level 34 Governor Macquarie Tower,  
1 Farrer Place,  
SYDNEY 2000

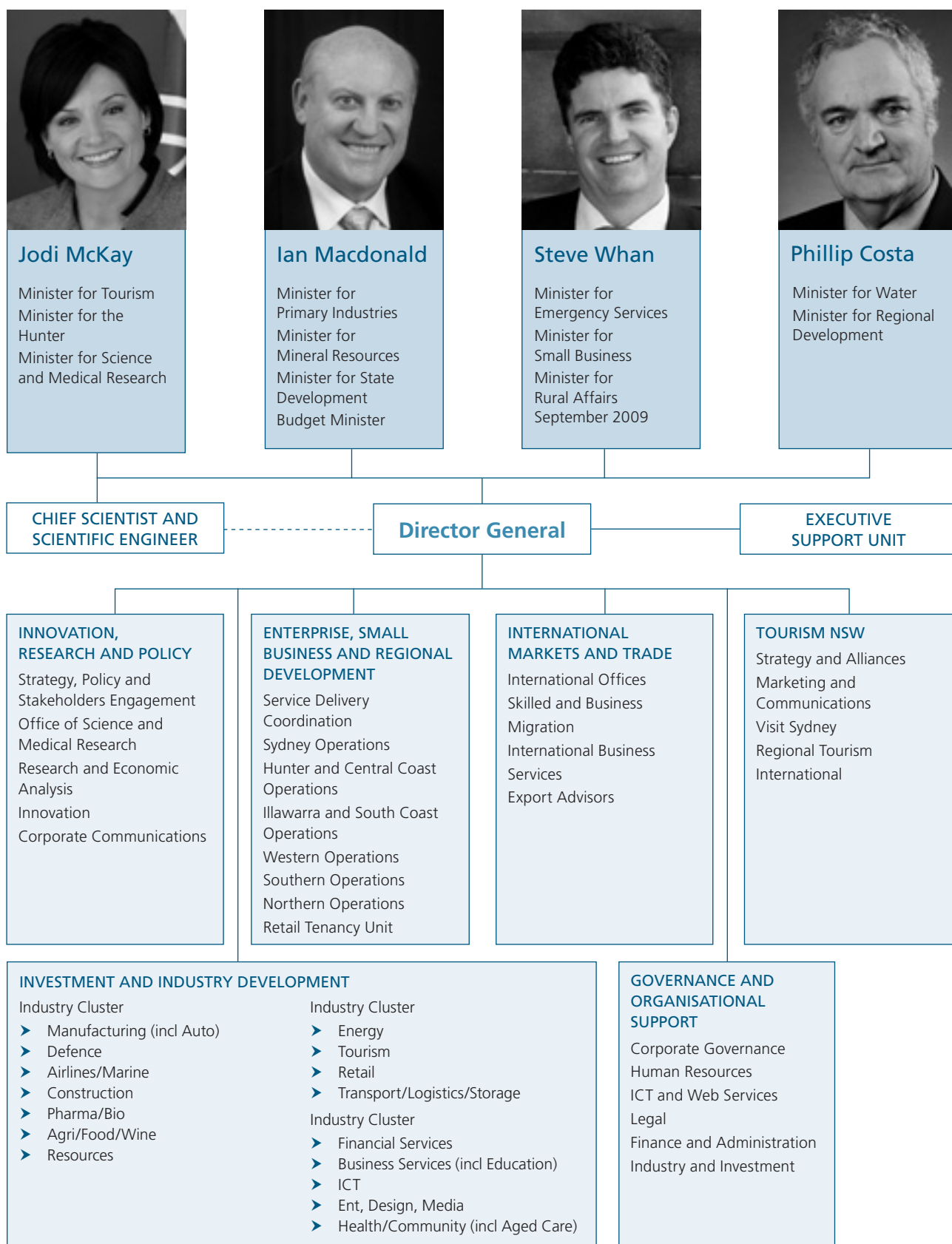
Dear Ministers

In accordance with the *Annual Reports (Departments) Act 1985*, it is my pleasure to submit, for your information and presentation to Parliament, the Annual Report of the Department of State and Regional Development for the financial year ended 30th June 2009.

Yours sincerely

**RICHARD SHELDRAKE**  
DIRECTOR-GENERAL  
30 October 2009

# Organisation chart 2008-09



# Director General's Year in Review 2008–09

This year has been one of significant change with a restructuring of the department to better reflect the NSW Government's priorities and facilitate and drive economic development in the State. This has led to streamlining our activities and the creation of six new operational divisions.

It has been a challenging year internationally due to the Global Financial Crisis impacting on business and economic growth worldwide. The department has been at the forefront of the Government's initiatives aimed at overcoming the effects of the crisis. Central to this were three Jobs Summits held in Sydney, the Hunter and the Illawarra which brought together business, community, employer, education, union and government representatives to formulate measures to soften the worst of the impacts.

The department has played a key role in implementing the initiatives and ideas put forward by the Jobs Summit participants. These included appointing government 'go to' people in key industry sectors, establishing the \$70 million *Major Industry Attraction Fund* and boosting the international marketing of Sydney and New South Wales.

In regional New South Wales the Jobs Summit led to an increase of \$3 million in both the *Hunter and Illawarra Advantage Funds*, a renewed focus on the defence industry and significant commitment towards the creation of jobs as we make the transition to a carbon-constrained economy.

We have significantly increased our commitment to representing Sydney and New South Wales in three key international markets, with work already underway to launch NSW government business offices in China, India and the Middle East. The new international offices will open for business in the second half of 2009. This initiative represents a significant change in the approach and heralds an exciting new era for the State.

Once again we have performed strongly against most of our *NSW State Plan* targets under Priority P1: Increased business investment and Priority P6: Increased business investment in rural and regional New South Wales. Our key measures indicate that in 2008–09:

- private business investment in real terms was \$47.336 billion in New South Wales, 3.1 per cent higher than in 2007–08 but \$1.9 billion below the projected target for 2008–09 on a straight-line basis
- the five-year average annual growth of private business investment to 2008–09 was 8.4 per cent. This was above the trajectory rate in the *NSW State Plan* (7.2 per cent per annum) required to reach the target of \$80 billion by 2015–16
- there were 138 million tourist visitor nights, comprising 60.5 million international tourism visitor nights (up by 6 per cent from 2007–08) and 77.5 million domestic tourism visitor nights (down by 6 per cent from 2007–08). This is 1.1 million visitor nights above the target for this period
- overnight visitors to New South Wales spent \$17.644 billion, which was very close to the target for the year end, June 2009. This comprised \$5.779 billion international overnight visitor spend (up by 3 per cent from 2007–08) and \$11.865 billion domestic overnight visitor spend (down by 4 per cent from 2007–08).

## Significant achievements

The department hosted a Financial Services Hub Summit, which brought together leaders from government, academia and industry. Speakers included Prime Minister Kevin Rudd, and Premier Morris Iemma. The principal aim was to identify initiatives to strengthen the competitiveness of the financial services sector and to develop priority areas to position Australia as a financial services hub. This was an exciting initiative which laid the groundwork for some important developments in this critical sector of the economy.

We were successful in attracting jobs and investment to the State. For example, Virgin Blue selected Sydney as the location for its new Embraer jet base. Their investment will include line maintenance and crew training facilities costing over \$300 million and employment of more than 1000 people. This is the second recent investment by Virgin following its establishment in Sydney of headquarters for new international airline V Australia ahead of strong competition from other states.

We were also successful in securing a number of major film productions for New South Wales including *Guardians of Ga'hoole*, *Happy Feet 2* and *Tomorrow: When the War Began*. In total this represents expenditure in the state of \$70 million, supporting 1300 jobs and reaffirming New South Wales as the heart of the nation's film industry.

Importantly, we were also able to support the purchase of a failed regional automotive component company by Geely Automotive, saving 132 jobs and potentially creating hundreds more through new investment.

Regional NSW experienced another difficult year through drought and I am pleased that the department will be administering the \$85 million *Building the Country* program announced by Premier Rees this year.

Once more we coordinated *Small Business September*, a month long calendar highlight, which provided practical information, guidance and tools on innovation and sustainability, sales and marketing, business management and international business and trade to 40,000 attendees at 368 events.

In tourism, the NSW Government committed an additional \$40 million over 3.5 years to implement a new tourism strategy in recognition of the importance of this sector to the economy. The department, through Tourism NSW, worked closely with industry to develop the strategy which will lead to increased visits to the State over the long term. Tourism NSW also launched a \$1.5 million marketing campaign to promote Sydney's unique new winter festival, *Vivid Sydney*, delivered by Events NSW.

With a focus on building partnerships between industry, government and the state's knowledge sector to support NSW Clever State approach the department established several new initiatives. These included establishing the *Research Partnerships Program* to articulate the priority areas for government to develop enhanced research concentration, bringing together private and public sector collaborators and attracting investment. In addition, a voucher system was established to drive the development of collaborative relationships between the State's small to medium companies and the public research sector, to address technologically based questions.

The department played an important role in World Youth Day, which attracted 223,000 participants including 110,000 from overseas. This was a great opportunity to leverage the event to enhance Sydney and New South Wales's status as a global centre for major overseas events and conferences, tourism and skilled job opportunities.

Internationally, we held numerous successful missions and events.

Once again we participated in *G'Day USA*, resulting in new business and promotional activity. Building on our success at this event over several years, we participated in *G'day UK* in June, an event based on the US experience and designed to strengthen the business links between our two countries.

Early indications are that this was an extremely successful promotional event. We are currently gearing up for the NSW participation in World Expo 2010 to be held in Shanghai where the NSW Government will be a gold sponsor.

NSW was also successful in attracting a major V8 Supercar event to Homebush for the next five years. The department, through the Homebush Motor Racing Authority, will play a key role in this event.

In manufacturing, the Government reconstituted the NSW Manufacturing Council to advise on a range of industry development issues, in particular those identified through the Jobs Summits. The Innovation Council once again provided significant input and impetus to innovation in the State.

Other important developments this year included the appointment in October of the State's first Chief Scientist and Scientific Engineer, Professor Mary O'Kane, to help stimulate innovation across all scientific disciplines. Also appointed was Mr John Blackburn AO as the State's Defence Industry Advisor to maximise defence investment and opportunities. We look forward to reaping the benefits of these two high-level appointments.

## Challenges and opportunities

There is no doubt that the most significant challenge faced this year was the impact of the Global Financial Crisis. Early indications however, are that future prospects for New South Wales are improving due to government initiatives such as the Infrastructure Program, the Jobs Summits and the diversified and robust nature of our economy.

Regrettably, in November, a NSW government trade mission to Mumbai was caught up in the terrorist attacks on that city. Sadly, one member of the delegation, Brett Taylor, was killed and several others were trapped for some days, including one of our own staff members. While the Trade Services team performed admirably during this crisis, our thoughts go out to all those killed and injured during these tragic events.

The NSW Government announced in June that the department will become part of a larger organisation, Industry & Investment NSW, effective 1 July 2009. We will be a central part of this new agency with our jobs and investment agenda critical to the future prosperity of the State.

## Acknowledgements

This year I want to particularly acknowledge our employees. The professionalism and enthusiasm with which they have embraced the restructure has been a credit to them all. Most importantly, they have ensured that the level of services to clients and stakeholders has been maintained and, in many cases, enhanced.

I wish to thank all the staff for their contributions as well as the Senior Management Group, which has put much valuable time and effort into our strategic planning for the future.



Barry Buffier  
Director General





# performance highlights

**4** INTERNATIONAL OFFICES  
LAUNCHED IN CHINA,  
UAE AND INDIA

**\$ 2.2** MAJOR INVESTMENTS SECURED IN  
NEW SOUTH WALES AND AN EMPLOYMENT  
IMPACT OF OVER 8000 JOBS  
BILLION

- ▶ Worked with the Department of Premier and Cabinet to deliver the NSW Government's Jobs Summit in February 2009. This summit was followed by regional Jobs Summits in the Illawarra and the Hunter later in the year. The summits were hosted by the Premier and explored actions that the NSW Government could take to support jobs in a difficult and slowing economic environment. Thirteen sectors were identified in the NSW Jobs Summit: finance and insurance; property and business services; information and communications technology; creative industries; education and training; health and community services; infrastructure and construction; manufacturing; tourism and hospitality; transport, logistics and storage; primary industries and mining; retail and green skills (environmental technologies).
- ▶ The NSW Government's response to the Jobs Summit included the earmarking of \$70 million to attract major projects to the State. The *Major Investment Attraction Fund* will be used to secure larger projects involving significant investment which will create significant numbers of jobs in the State.
- ▶ Launched four international offices in China (Shanghai and Guangzhou), the United Arab Emirates (Abu Dhabi) and India (Mumbai). The new offices will strengthen New South Wales's international business presence and develop opportunities that will generate employment through increased inbound investments and exports.
- ▶ Secured major investments in New South Wales with an estimated value of \$2.2 billion and an employment impact of over 8000 jobs.
- ▶ Attracted major film productions including *Happy Feet 2*, *Guardians of Ga'hoole* and *Tomorrow: When the War Began*, representing a \$70 million expenditure in the State and supporting 1300 jobs.
- ▶ Organised 12 trade missions involving 116 companies as well as 207 independent market visits. Projected export sales by the companies as a result of these activities will exceed \$165 million.
- ▶ Approved 12 Regional Business Growth Plans, providing a blueprint for collaboration by local governments, regional development boards and other business stakeholders.
- ▶ Organised *Small Business September*, *Home-based Business Week* and *Western Sydney Manufacturing Week* to support small businesses. Total attendance at these and other small business events was around 50,000.





**\$70** EXPENDITURE IN  
MILLION THE STATE DUE  
TO MAJOR FILM  
PRODUCTIONS

**50** PEOPLE  
THOUSAND ATTENDED  
SMALL BUSINESS  
EVENTS

**12** APPROVED  
REGIONAL BUSINESS  
GROWTH PLANS

- Tourism NSW finalised the *NSW Tourism Strategy*, which is supported by an additional \$40 million investment by the NSW Government over four financial years expected to attract an estimated \$20 million industry investment in programs.
- Received a funding allocation of \$85 million to roll out the *Building the Country* package comprising seven new programs aimed at invigorating country and regional communities and promoting economic and jobs growth.
- Strategic investments into the NSW research sector through the *Science Leveraging Fund* have helped bring funding and capability to the state in disciplines including groundwater research, marine science, cellular therapies and medical imaging. New commitments of \$4 million have helped attract \$29 million in Commonwealth funding to NSW.
- On 23 October 2008 the Premier announced the appointment of Professor Mary O’Kane as New South Wales’s first Chief Scientist and Scientific Engineer. Her work covers all scientific disciplines to help stimulate innovation in the State.
- On 1 July 2009 a network of new Regional Development Australia Committees will commence operation as a result of a joint Commonwealth and state/territories initiative. In New South Wales, 14 Regional Development Australia Committees will be formed to replace the former NSW Government-funded Regional Development Boards and the Commonwealth-funded Area Consultative Committees. The new committees will promote community and economic development, provide input to regional planning, and engage with the three tiers of government.
- The network will comprise the Central Coast, Central West, Hunter, Mid North Coast, Northern Rivers, Northern Inland, Orana, Far West, Illawarra, Far South Coast, Southern Inland, Murray, Riverina and Sydney Regional Development Australia Committees.
- According to the annual client survey, overall satisfaction with assistance provided by the department was a high 86 per cent while satisfaction with the level of knowledge and service of the department’s staff was higher at 88 per cent.



# corporate framework

The department's mission is to secure innovative and sustainable business and industry development for the State

## Who we are

The Department of State and Regional Development was established in 1995 as the NSW Government's key industry development agency. The department is responsible to the Minister for State Development, the Minister for Regional Development, the Minister for Tourism and for Science and Medical Research and the Minister for Small Business.

The primary function of the department is to contribute to government policies and provide services to the business sector to achieve a competitive and diverse economy. The department's aim is to develop innovative and sustainable businesses and industries that will increase productivity, employment and investment growth in the State. It achieves this by pursuing activities under five key results areas:

- facilitate business investment
- increase business competitiveness
- develop an attractive business environment
- market the strengths of Sydney and New South Wales
- support science, research and innovation.

The department is the lead agency responsible for managing the delivery of outcomes from the NSW Government's Jobs Summit and, with partner agencies, is also responsible for coordinating delivery of the business and investment priorities set in the NSW State Plan.

The environment for economic growth is increasingly complex and competitive, both nationally and internationally. To meet this challenge, the department focuses on continuously refining and better targeting its activities to contribute to a dynamic and growing economy.

## Our mission

The department's mission is to secure innovative and sustainable business and industry development for the State.

## Our values

The department works to accomplish its mission and goals through the actions of its staff, who uphold corporate values of:

- integrity through honesty, consistency and fairness
- equity and social justice
- respect for the diversity of the State's multicultural base

- achievement through diligence, industry, creative thought, consultation and teamwork
- accountability, efficiency and effective professional service provision.

These values are emphasised in the department's Code of Conduct, corporate policies and procedures and its induction training. The Code of Conduct sets out the standards and guidelines for staff to follow in relation to ethical decision-making, dealing professionally and fairly with clients, partners and stakeholders and the protection of confidential information. The code was updated during the reporting period.

## Stakeholders and clients

The department's clients span domestic and international companies of all sizes, industry peak bodies, professional associations, business advisers, tertiary education and research institutes and government departments and authorities. The department adopts a partnership approach, working with business and other related agencies to strengthen the competitiveness of New South Wales internationally through increased investment, productivity and business capability.

# NSW State Plan

The *NSW State Plan*, which was released in November 2006, commits the NSW Government to support business growth in the State. The department's activities are informed by the two priorities for 'Growing prosperity across New South Wales':

- Priority P1: Increased business investment
- Priority P6: Increased business investment in rural and regional New South Wales.

Performance achieved (further details provided under the Key Results Areas section commencing on page 16)

## PRIORITY P1: INCREASED BUSINESS INVESTMENT

### Private business investment

The target in the *NSW State Plan* is to double the level of private business investment from \$40 billion in 2005–06 to \$80 billion by 2015–16.

In 2008–09 business investment in real terms was \$47.336 billion in New South Wales, 3.1 per cent higher than in 2007–08. This was \$1.9 billion below the projected target for 2008–09 on a straight-line basis.

The five-year average annual growth of private business investment to 2008–09 was 8.4 per cent, which was above the trajectory rate in the *NSW State Plan* (7.2 per cent per annum) required to reach the target of \$80 billion by 2015–16.

## TOURIST VISITATION

The *NSW State Plan target* is to increase tourist visitation to New South Wales by 10 million visitor nights by 2015–16.

There were 138 million tourist visitor nights in 2008–09, comprising 60.5 million international tourism visitor nights (up by 6 per cent from 2007–08) and 77.5 million domestic tourism visitor nights (down by 6 per cent from 2007–08). This is 1.1 million visitor nights above the P1 target for this period.

Overnight visitors to New South Wales spent \$17.644 billion, which was very close to the target for the year end, June 2009. This comprised \$5.779 billion international overnight visitor spend (up by 3 per cent from 2007–08) and \$11.865 billion domestic overnight visitor spend (down by 4 per cent from 2007–08).

## PRIORITY P6: INCREASED INVESTMENT IN RURAL AND REGIONAL NEW SOUTH WALES

### Regional development

Development of NSW State Plan targets for regional business and investment growth is based on a number of measures which include:

- regional employment and unemployment rates
- regional tourism visitor nights.

Average employment in regional New South Wales fell by 0.7 per cent in 2008–09. Employment growth in regional New South Wales since the base year (2005–06) is 1.9 per cent, which is above target of 1.5 per cent average growth over the ten years to 2015–16.

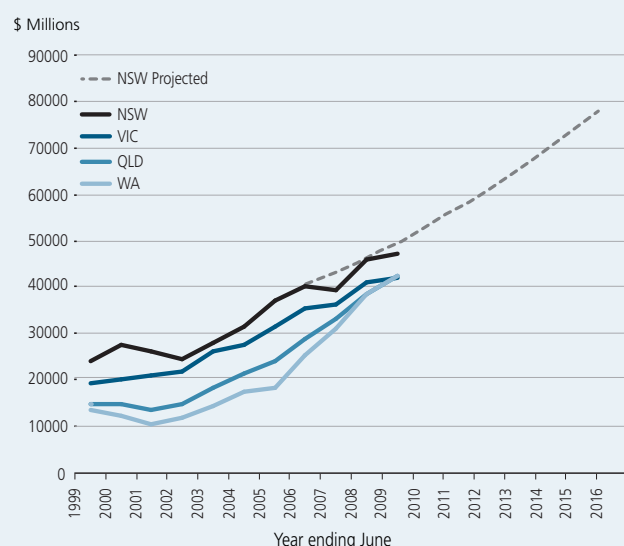
The average regional unemployment rate was 5.9 per cent, which was within the target of no more than 1.5 percentage points higher than the rest of New South Wales (5.7 per cent).

Regional New South Wales' share of total Australian regional tourist visitor nights was 34 per cent for 2008–09, which was one per cent higher than the previous year.

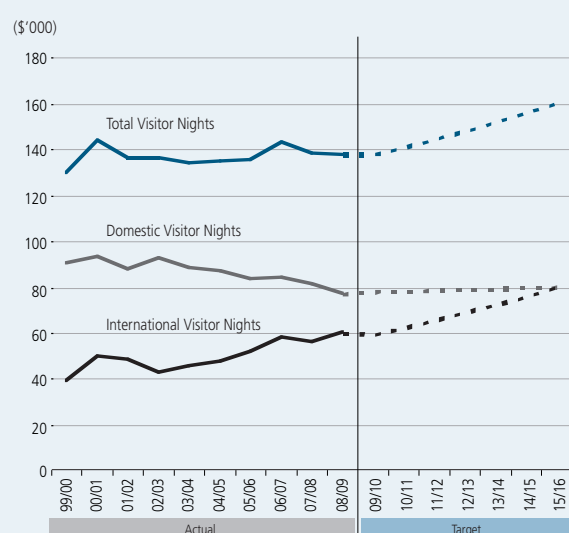
Regional Business Growth Plans were developed for the department's 12 regions. The plans provide a blueprint for collaboration between agencies and with local government, Regional Development Boards and other business stakeholders to achieve sustainable economic growth, local employment and skills training.

A new network of 14 Regional Development Australia Committees for New South Wales was also established and should be operational from 1 July 2009. Regional Development Australia Committees will be a first point of contact for regional communities across all levels of government and will promote regional initiatives and partnerships. The committees will also provide strong input into the implementation of the Regional Business Growth Plans.

Private business investment, actual and projected, chain volume measures



Domestic and International visitor nights to NSW Actual and State Plan Target 1999/2000 to 2015/2016



Source: National Visitor Survey and International Visitor Survey

# NSW State Plan (2006–2016)

## Growing Prosperity Across New South Wales

**NSW Open for Business** Priority P1 – Increased Business Investment.

Increase business investment by making New South Wales a more attractive place to do business.

Increase visitor nights to New South Wales by 10 million by 2016.

## Stronger Rural and Regional Economies

Priority P6 – Increased Business Investment in Rural and Regional New South Wales.

Achieve regional business growth targets.

### KEY RESULT AREAS

	<b>Facilitate business investment</b>	<b>Increase business competitiveness</b>	<b>Develop an attractive business environment</b>	<b>Market the strengths of Sydney and NSW</b>	<b>Support science, research and innovation</b>
STRATEGIES	Increased investment into NSW to meet <i>State Plan</i> P1 target	NSW firms adopt best practice business processes	Business confidence measures improve in NSW, in comparison with other states	Tourism visitation grows to meet NSW <i>State Plan</i> P1 target	Greater adoption of innovation as a key growth strategy for business
	Improved regional investment coordination by Government to meet <i>State Plan</i> P6 target	NSW firms win supply chain business with large private and public sector contracts and projects	Effective mechanisms managed for communication between business and government	Sydney ranks highly as a destination amongst target groups in international surveys	Opportunities taken to promote growth in high potential sectors by government action
	Regulatory constraints and delays to major investment projects addressed and internationalisation of the State's competitive industries	Firms with world class capabilities win more international business	Costs and benefits to business of new regulation, legislation and policy made known to government	Investors and business owners view NSW more favourably than other states and countries	Supported research and commercialisation programs result in marketing new products and services
	Regional communities identify and promote business opportunities	New businesses start and business numbers and employment grow strongly	NSW demonstrates world-class communications infrastructure	Maintain Sydney market share of visitor nights	Impediments to innovation in high potential sectors identified and addressed
	Infrastructure impediments to investment in regional areas addressed	Environmental sustainability promoted as a growth strategy for business	Effective alternative dispute resolution service delivered for retail leasing sector	Regional market share of visitor nights maintained	NSW wins greater share of Commonwealth medical and science research funds
	Opportunities identified for inbound international investment from key markets	NSW businesses secure more Commonwealth business assistance funding	Skills needs and labour market gaps assessed, firm and industry level initiatives developed	NSW technologies and skills promoted in international markets	Government policy and regulation support research and development outcomes
	NSW competitive strengths identified and marketed to investors and consumers	Exporters enter new markets and more firms start to export goods and services	Systemic regulatory impediments to business investment and growth identified	International relationships managed to source new business for NSW	More students choose science and technology career pathways



# Corporate governance

During the year the restructure of the department established six divisions to streamline operations and effectively deliver core functions.

The Board of Management, which comprises the Director General and the executive directors of each new division, was responsible for coordinating and directing the operations of the department.

The department's corporate governance framework provided clear direction and transparency for decision-making across the organisation and supported its capacity to achieve results. The department worked within the NSW Government's framework of reporting and accountability, which included major initiatives in areas such as information and communications technology, state records, corruption prevention, privacy, finance and client services. The governance framework was supported by the operations of the Board of Management and the Audit and Review Committee.

The department completed a new strategic plan (2009–12), which focused on key strategies required to support economic growth in New South Wales. Planning was informed by the *NSW State Plan*, and the NSW Jobs Summits held in Sydney.

The department's activities and operations were regularly reviewed through a variety of internal and external processes including:

- external financial audit
- internal and external performance audit
- audit and review committee panels for independent chairs
- internal managerial evaluation, including risk management
- the Public Accounts Committee and the Treasury
- oversight by four Ministers
- parliamentary oversight through a variety of committees such as the Parliamentary Budget Estimates Committee.

## Legislation

The principal Acts administered by the department are:

- *Albury-Wodonga Development Repeal Act 2000*
- *Centenary Institute of Cancer Medicine and Cell Biology Act 1985*
- *Garvan Institute of Medical Research Act 1984*
- *Homebush Motor Racing (Sydney 400) Act 2008*
- *Human Cloning for Reproduction and Other Prohibited Practices Act 2003*
- *Innovation Council Act 1996*
- *Regional Development Act 2004*
- *Research Involving Human Embryos (New South Wales) Act 2003*
- *Retail Leases Act 1994*
- *Small Business Development Corporation Act 1984*
- *State Development and Industries Assistance Act 1966*
- *Tourism New South Wales Act 1984*
- *Very Fast Train (Route Investigation) Act 1989.*

## Board of Management

### Director General

Barry Buffier BRurSc (Hons), MEC, Churchill Fellow, FAICD

### Enterprise Small Business and Regional Development Division

Michael Cullen BCom (Ec)  
Executive Director

### Governance and Organisational Support

Wayne Lange  
Executive Director

### Investment and Industry Division

Warwick Glenn BSc (Eng)  
Executive Director

### Innovation Research and Policy Division

Kerry Doyle PSM, BA (Hons) (Acting)  
Executive Director

### International Markets and Trade

Michael O'Sullivan BCom (Ec) (Acting)

## Retail Tenancy Unit

Ken Carlsund DipLaw (SAB), MBA  
Registrar

## Tourism NSW

Lyndel Gray GAICD  
Executive Director and General Manager

## Corporate Operations and Executive Support

Gary Offner DipLaw (BAB), MBA, GAICD  
Director

## Service groups of the department

### Investment and Industry

**Development** undertakes industry-specific analysis for the identified priority areas based on market intelligence and consultation with stakeholders, both internal and external to government, and attracts investment for large projects. This includes the development and implementation of industry and sectoral plans to proactively drive industry growth at a state and regional level in line with *NSW State Plan* targets.

### Enterprise, Small Business and

**Regional Development** provides strategic support to increase employment and investment growth in regional and metropolitan areas, with a focus on local infrastructure and small and medium-sized enterprises.

### International Markets and Trade

identifies priority industries and markets for export opportunities and potential inbound investment attraction. This includes managing New South Wales' overseas presence via missions, trade desks and overseas offices providing a one-stop-shop for NSW exporters and international investors.

### Innovation, Research and Policy

supports research and development activities in New South Wales, and undertakes analysis and stakeholder engagement activities required to help drive innovation and increase competitiveness and economic growth.

**Tourism NSW** promotes New South Wales to domestic and international tourism markets and provides opportunities for an increase in jobs and tourist expenditure.

# Financial overview

The financial information disclosed in this overview represents an aggregation of the operating statements and balance sheets for the department and the two statutory authorities that it administers and supports, the Ministerial Corporation for Industry and the Small Business Development Corporation of New South Wales.

## Source of funds

The Department of State and Regional Development is a general budget sector agency, with its main source of funds being government contributions. In 2008–09 total government recurrent and capital contributions to the department, Ministerial Corporation for Industry and Small Business Development Corporation of New South Wales amounted to \$190.3 million. In addition to the government contributions, the department raised revenue from other sources, including the sale of goods and services, investment income, grants and contributions from other state and Australian government bodies and industry partners. Total revenue from all sources for the 2008–09 financial year amounted to \$11.0 million, of which grants and contributions totalled \$6.0 million.

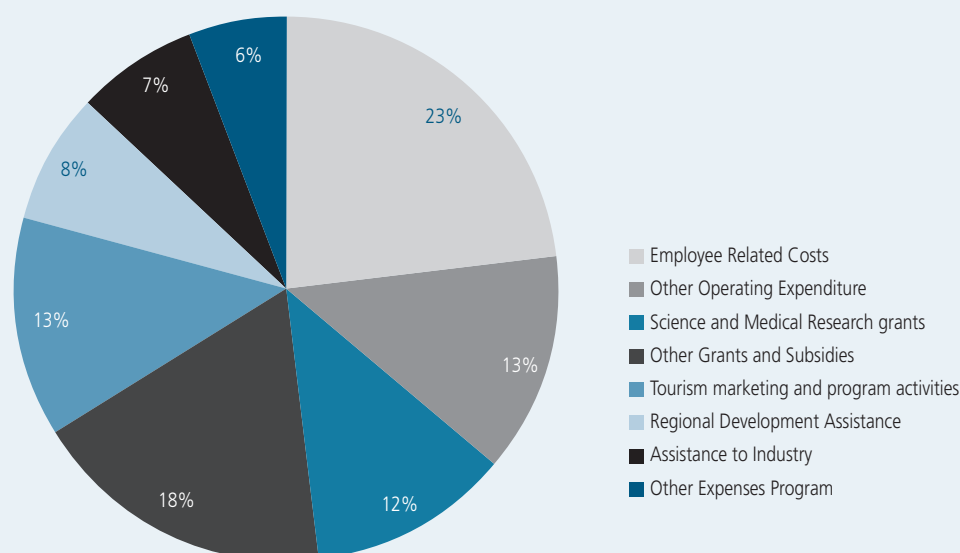
## Application of funds

Total operating expenditure for the year ended 30 June 2009 was \$205 million. This comprised employee-related costs amounting to \$47.3 million, other operating expenditure of \$26.1 million and grants and subsidies totalling \$62.2 million, including \$25.3 million in science and medical research grants. *Other Expenses Program* expenditure amounted to \$68.9 million and included \$25.9 million toward tourism marketing and program activities, \$15.7 million toward the *Regional Development Assistance Program* and \$14.8 million towards the *Assistance to Industry Program*.

## Assets and liabilities

The department's total net asset balance as at 30 June 2009 was \$26.2 million and comprised total assets amounting to \$39 million and total liabilities of \$12.8 million. The total net asset balance at 30 June 2009 represents a decrease of \$3.6 million compared to the previous financial year. The decrease was primarily due to a decrease in cash and cash equivalents of \$5.3 million, offset by a decrease in non-current assets of \$1.3 million, and a decrease in current liabilities of \$1.9 million.

### Expenditure



## Future directions

The department becomes part of a larger organisation to be known as Industry & Investment NSW effective 1 July 2009. Other agencies joining the new department will include the former NSW Department of Primary Industries, NSW Department of Energy, Screen NSW and the NSW Food Authority.

As a division within Industry & Investment NSW, State and Regional Development and Tourism will place emphasis on assisting businesses to survive and retain jobs in 2009–10 in order to combat the continuing effects of the Global Financial Crisis. It will maintain a whole-of-government approach to its role under the NSW State Plan and will focus on implementing the initiatives arising from the Premier's Jobs Summit.

The State and Regional Development and Tourism division will continue to concentrate on attracting new investment and jobs across all major employment sectors, in addition to employment retention. There will be greater emphasis on targeting investment from the fast-growing markets. The launching of offices in China, India and the Middle East will facilitate this expansion.

While focussing on the range of sectors, particular attention will be given to film and media projects, sustainable industries such as renewable energy, large footloose defence projects identified in the Australian Government's Defence Capability Plan, and leveraging off Commonwealth programs such as Solar Flagships, the insulation incentive, the school and housing building initiatives and the National Broadband Network. The department will also support NSW' transition to a carbon-constrained economy by assisting NSW businesses to take advantage of emerging opportunities. Improving the innovation capability of NSW businesses will be an important aspect of these actions. The implications of these drivers will be reflected in an update of the NSW Innovation Statement.

An important new focus of activity for the department is in forging closer collaborative opportunities between industry, universities, the research sector and government agencies. The development of the *Research Partnerships* Program is an important new initiative to grow collaborative research concentrations in areas of State priority, bringing together industry with academia and government.

Currently the department has over 140 project leads across a range of industries. It is likely however, that the Global Financial Crisis will impact on the conversion rate as will competition from other jurisdictions with lower costs or higher incentives.

The new departmental structure will include a Sydney Operations Team to work closely with local government to deliver programs and services to small and medium-sized enterprises in the Sydney metropolitan area. The department will also establish formal agreements with selected local government authorities to facilitate business investment opportunities in regional New South Wales.

Coordination of regional development will improve with the merger of the NSW Government's Regional Development Boards with the Australian Government's Area Consultative Committees effective 1 July 2009. Priority areas for the new committees will be regional planning, employment generation and social inclusion, particularly around employment opportunities for disadvantaged groups in the community.





# key results areas

## Operating environment

**New South Wales has the largest state economy in Australia – valued at \$360 billion in 2007–08, and accounts for around 32 per cent of Australia's GDP**

The department operates in an increasingly complex state, national and international economy that provides both challenges and opportunities to the economic growth of New South Wales.

These include:

- volatility in the world economy
- increasing competition from other agencies and locations for footloose investment
- pressure to retain and expand skills for growth, despite the Global Financial Crisis
- development of global supply chains across all sectors
- challenges to the manufacturing sector from China and other parts of Asia
- the impact of climate change.

### Economic overview

#### THE PICTURE FOR 2008–09

New South Wales has the largest state economy in Australia – valued at \$360 billion in 2007–08, and accounts for around 32 per cent of Australia's GDP. It is also the State with the largest share of national private business investment.

In 2008–09 New South Wales was hampered by restrictive monetary policy and the slowdown in world economic growth brought about the Global Financial Crisis. The overall economic picture for the year shows:

- forecast gross state product growth of 0.3 per cent, down from 2.8 per cent in 2007–08 (NSW Treasury forecasts, May 2009)
- business investment growth of 3.1 per cent, down from 16.7 per cent in 2007–08
- an average unemployment rate of 5.7 per cent, well below the average unemployment rate over the last 25 years
- a higher percentage of NSW workers employed full-time (70.7 per cent) compared with 69.8 per cent (seasonally adjusted) for the rest of Australia.





### ECONOMIC RECOVERY

Access Economics anticipates that 2010 will be a year of consolidation and recovery in relative terms. This will be assisted by a rebound in housing construction arising from underlying demand-supply fundamentals, improved housing affordability and state and Australian government incentives for home buyers. The continued recovery in agricultural conditions is expected to assist exports while the reductions in interest rates are helping to bring household spending closer to the national average.

### CHALLENGES FOR NSW INDUSTRY AND THE DEPARTMENT

NSW export values have been traditionally linked to mineral resources and agricultural commodities. However, service exports now account for about 40 per cent of the State's export income. New South Wales' longer-term export success also depends on knowledge-intensive companies finding niche markets in our region, a goal central to the department's range of services for established and prospective exporters.

Sourcing skilled workers remains an important medium to long-term issue for the State. The department has been charged with attracting high-end skills to Sydney from interstate and overseas and is identifying skills gap solutions, especially in regional areas, where shortages are felt acutely because of the smaller size of local labour markets. There continues to be considerable competition from other states and territories for key employment skills.

Improved but persistent drought conditions continue to present economic development challenges in many parts of regional New South Wales. Many regional communities are dependent on drought-vulnerable businesses such as meat and food processing. Restructuring of global industries, including automotive components and textiles, is also impacting on regional employment and industry development. The availability and cost of water is a continuing major issue across New South Wales.



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## Facilitate business investment

385

INVESTMENT  
PROJECTS  
SECURED

3911

JOBS IN METROPOLITAN  
SYDNEY AND \$1,183 MILLION  
IN INVESTMENTS SECURED

4181

JOBS IN REGIONAL NEW SOUTH  
WALES AND \$1,010 MILLION  
INVESTMENTS SECURED.

### Nature and scope of activities

The department promotes economic growth through the attraction of new business investment and helping existing enterprises to grow and improve their competitiveness. One of the department's key roles is to capture opportunities for investment and business growth for Sydney and NSW regions.

The department competes to win business investment for New South Wales against international and interstate competition. It also facilitates the relocation, consolidation and expansion of major and strategic businesses within the State and, where appropriate, encourages proponents to locate projects in regional areas. To achieve this, the department delivers financial assistance programs and services which are only available to regional businesses and communities.

The department secures business fixed investment from international and domestic markets across a range of sectors, focussing on the key sectors identified in the NSW Jobs Summit. Using \$70 million in summit funding for the *Major Investment Attraction Fund*, the department aims to secure larger projects involving substantial investment, which will create significant numbers of jobs in the State.

### Achievements

#### INVESTMENT ATTRACTION

The NSW Government is on-track to achieve its target to double private business investment by 2015–16, with annual total private business investment of \$49 billion during the 2008–09 year in New South Wales.

In 2008–09 private business investment in real terms was \$47,336 billion, 3.1 per cent higher than in 2007–08 but \$1.9 billion below the projected target on a straight-line basis. The five-year average annual growth of private business investment to 2008–09 was 8.4 per cent. This was above the trajectory rate in the NSW State Plan (7.2 per cent per annum) required to reach the target of \$80,000 billion by 2015–16.

In 2008–09 the department secured 385 investment projects, which will see \$2,194 million of capital investment in New South Wales and employment of 8092 people over the next few years. In metropolitan Sydney, these projects represented \$1,184 million of capital investment and 3,911 jobs and in regional New South Wales \$1,010 million of investment and 4,181 jobs.

To attract new projects of this kind, the department undertook international promotion activities, targeted business decision-makers, provided tailored business information and assistance with site selection and assisted proponents to navigate government approval processes. Economic evaluations were prepared to identify the value associated with specific projects leading to investment in the State.

The department's focus was on the 13 sectors identified in the NSW Jobs Summit.

#### FINANCE AND INSURANCE

Five financial service projects were attracted during the year involving investment of \$21 million and creating 41 jobs. Through these investments, a number of multinational firms established a Sydney office and are servicing the greater Australian market. Financial service investors were from traditional source markets, such as the United Kingdom, as well as from fast-growing markets, such as China and India.

# The NSW Government is on-track to achieve its target to double private business investment by 2015–16, with annual total private business investment of \$49 billion during the 2008–09 year in New South Wales.

KEY RESULTS AREA 1

## INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT)

Six ICT projects were attracted during the year which will invest \$17.5 million and employ 223 people in New South Wales. Fuji Xerox will base its new Asia-Pacific regional support centre in Sydney, which will create 129 jobs and invest \$5.3 million over the next five years. The UK ICT services firm Firstservis set up an office in Sydney and will employ up to 60 people and invest \$1 million. LogMeIn located its Asia-Pacific office in Sydney and will employ 10 people with an investment of \$10 million. ICANN, the Internet Corporation for Assigned Names and Numbers, established its Asia-Pacific office in Sydney and employed 13 people.

## CREATIVE INDUSTRIES

NSW Government initiatives, including a new package of screen industry incentives, put Sydney at the forefront of the national film industry and set the stage to attract substantial foreign investment. The department won six major footloose film projects for New South Wales, which represent a total investment of \$326 million and creation and retention of 1750 jobs.

The department secured *Happy Feet 2*, which commenced production in early 2009 and will employ approximately 440 cast and crew and take three years to complete. Animal Logic commenced production of the animated feature *Guardians of Ga'hoole*. The department also secured production of *Tomorrow: When the War Began*.

The department secured post-production activities for *The Way Back*, the latest feature from internationally renowned Australian director Peter Weir, and two high-profile television drama series — the Southern Star production *Rescue* and the Screentime series *Underbelly III*. These projects will employ approximately 400 cast and crew.

## MANUFACTURING

Four manufacturing projects were secured during the year that together brought over 650 jobs and \$67 million in investment to New South Wales.

In February Geely Automobile Holdings from China purchased Drivetrain Systems International, securing over 130 jobs in Albury. The department's work to secure a global buyer with the capability to replace the company's customer base is detailed in a later case study.

Also in regional New South Wales Volgren Australia Pty Ltd selected Newcastle/Tomago as the location for its new bus manufacturing operation involving capital investment of \$18 million and 150 new jobs. The establishment of a pipe plastics manufacturing facility by Australian Film and Pipe Manufacturers Holdings Pty Ltd in Moss Vale will involve more than \$10 million in capital investment and 25 new jobs.

US-based company Entra Health Systems selected Sydney as the local base to launch its glucose meter e-health project. The department assisted the company in establishing its operation in Australia by providing detailed information on the regulatory process and ethical reviews.

## TOURISM AND HOSPITALITY

Three airline projects were secured during the year, representing investment of \$310 million and over 1,000 new jobs over five years. In the international arena, Delta Air Lines, the largest airline in the world, made the decision to fly into Sydney and promote Sydney and New South Wales in offshore markets. At the domestic level, Virgin Blue selected Sydney as the location for its new Embraer jet base after strong competition from Brisbane and Melbourne, and Regional Express (Rex) selected Wagga Wagga for the location of its pilot training academy.

The department also continued to support the Emirates resort project near Lithgow, which will provide 120 jobs and \$115 million of investment.

## PRIMARY INDUSTRIES AND MINING

In December 2008 the department facilitated a strategic alliance between a NSW-based mining company, Golden Cross Resources, and HQ Mining Resources Holding Pty Ltd, an intermediary of China United Mining Investment Co. Ltd. The alliance will create 80 full-time and 200 part-time jobs and will invest \$3.5 million. Golden Cross Resources' current portfolio of

tenements in New South Wales contains world-class exploration potential. These tenements are located in Molong, north of Orange; Burra, near Cobar; Cargo, west of Orange; north and south of Nymagee and southeast Cobar. The companies were introduced during the department's China Investment Attraction Mission in 2008.

*'We particularly want to thank the NSW Department of State and Regional Development for its assistance in bringing the companies together. The alliance reflects the importance, particularly in the mining sector, of the growing ties between Australia and China.'* Kim Stanton-Cook, Managing Director, Golden Cross Resources.

## RETAIL

The retail sector continued to expand despite the Global Financial Crisis. The department worked closely with the NSW departments of Planning and Local Government to assist five major retailers overcome issues blocking the expansion of their operations in Sydney and regional New South Wales.

## SUSTAINABLE INDUSTRIES

The department is working with major companies involved in wind, bio-energy, solar-thermal, solar-photovoltaic and other renewable sources of energy to identify investment opportunities in New South Wales.

The department also provided advice to a number of major steel, aluminium and paper manufacturers to assist their business continuity planning in the context of the Mandatory Renewable Energy Target and the proposed Carbon Pollution Reduction Scheme.

## CHINA AND INDIA

The department targets key investors in business hubs throughout China and India to raise awareness of New South Wales as an investment destination and to facilitate trade and business opportunities.

The department formed alliances with Chinese government agencies responsible for encouraging outbound investment and sought to capitalise on the NSW-Guangdong Sister State Relationship, NSW-Shanghai Friendship Agreement and memoranda of understanding with a number of Chinese





agencies. It also worked with Chinese regional business centres and emerging non-government-owned enterprises and capitalised on the establishment of the NSW international offices, launched in Guangzhou and Shanghai. In 2008–09 the China desk delivered new investment to the State totalling \$130 million, which created 270 new full-time jobs.

In addition, the department worked closely with contacts in the Indian business community on joint events and company visits. In 2008–09 the department delivered new investment to New South Wales of \$4.5 million and conducted two investment missions to India targeting the ICT, financial services, education, pharmaceutical, renewable energy, mineral resource and agribusiness sectors. Results for the year were down on the previous year due to the slowdown caused by the Global Financial Crisis, which resulted in some investment delegations to New South Wales and plans for investment in the State being put on hold.

### Regional business investment

The department's suite of regional business investment programs aims to secure new investment in New South Wales. The programs offer advice to businesses regarding their establishment, expansion or re-location in regional New South Wales. The department aims to harness genuine business opportunities and develop solutions to overcome investment impediments, with an emphasis on non-financial solutions. Specific assistance under regional business investment programs includes helping with site identification and selection, negotiating with infrastructure and finance providers and liaising with training providers. In some cases, based on the value of the new investments and jobs generated, modest funding is provided as part of a total package of assistance for a business project.

The business investment program suite is made up of:

- the *Regional Business Development Scheme*
- the region-specific *Hunter Advantage Fund* designed to attract new investment and jobs to the Lower Hunter region including the Newcastle, Lake Macquarie, Port Stephens, Maitland and Cessnock local government areas
- the *Dungog Business Investment Fund*, a joint initiative by the department and Hunter Water Corporation
- the region-specific *Illawarra Advantage Fund* for eligible businesses considering establishing or expanding in the Illawarra region
- the *Payroll Tax Incentive Scheme* aimed at bolstering business growth in areas with unemployment levels above the State's average. 2008–09 was the final year of the scheme. Payroll tax rebates will apply from 2009–10 to 2013–14.



## CASE STUDY

## Creative industries

In October 2008 the NSW Government secured production of the sequel to the Oscar-winning *Happy Feet* and the establishment in Sydney of Dr D, a new world-class digital production facility. This was achieved using incentives provided by the Film & TV Industry Attraction Fund (FIAT).

Dr D is a joint venture between Kennedy Miller Mitchell, the production company behind *Happy Feet*, and Omnilab Media. The new facility will cement the State's position as the leading Australian base for digital filmmaking. *Happy Feet 2*, from director George Miller, commenced production in early 2009 and will employ around 440 cast and crew, including 230 digital artists, taking three years to complete.

Kennedy Miller Mitchell already has a number of other large-scale international film projects in the planning stage. In an industry that can suffer erratic workflows and loss of talent offshore between projects, Dr D will be a permanent, long-term business and create unprecedented opportunity for continuous film production and retention of talent.

The Kennedy Miller Mitchell initiatives build on the attraction in early 2009 of the major digitally-animated feature, *Guardians of Ga'hoole*, and the planned expansion of Animal Logic's headquarters in Sydney. Coupled with the introduction of the film-friendly package in June 2008, the consolidation of Sydney's digital animation capabilities

establishes the right conditions to attract ongoing international film production work to New South Wales.



The department received funding of \$85 million during the year to roll out the Building the Country package. The package comprises seven new programs aimed at economically invigorating country and regional communities, and will be available until the end of 2013–14. While the funding resides with the department, it administers just some of the programs, including:

- the *Local Infrastructure Support Fund* designed to help offset infrastructure impediments to viable business investment projects. Twenty projects were shortlisted for funding following the closure of expressions of interest in 2008–09
- the *Water Adjustment Innovation Fund* designed to help businesses in drought-impacted communities of the Murray Darling Basin affected by water reforms. The fund assists these businesses to develop and invest in innovative water-saving and other environmental technologies. Eleven projects were shortlisted for funding

- the *Small Chamber of Commerce Fund* designed to help chambers of commerce and business organisations in small country towns with a population below 5000 undertake promotions to boost business activity. Assistance was offered to 40 applicants.

### Industry restructuring

These initiatives are designed to help regional communities and industries respond to economic structural adjustment pressures. The *Regional Economic Transition Scheme* assists the development of more diverse economies and attraction of new investment and jobs. The *Business Drought Assistance Program* provides payroll tax relief for regional firms to help them retain skilled workers for the duration of the drought. Assistance is also provided to small and medium-sized enterprises affected by the drought so they can implement business improvement or recovery strategies or diversify their operations.

In addition to these programs, the *Inverell Investment Fund* was established following the closure of the Nestle Supercoat pet food manufacturing facility in Inverell. Rapid Response Teams were formed on a needs basis in response to significant business

closures or downsizing and a new \$6 million fund was created to provide training assistance to employees who lose their jobs as a result of a business closure or downsizing. This fund will be available from 1 July 2009.

### Business migration services

The department encourages foreign business owners and entrepreneurs to migrate to New South Wales to establish their businesses, creating jobs and bringing investment into the State. Successful applicants are offered a four-year provisional visa and, if they develop a successful business during this time, qualify for permanent residence in Australia.

In 2008–09 the department sponsored 385 potential business migrants for provisional visas. The department anticipates these business migrants will invest more than \$65 million and create almost 1000 jobs during their first five years in New South Wales.

The department sponsored 67 business migrants for permanent residence in Australia during 2008–09. In their first two years these business migrants had invested \$16.4 million and created 140 new jobs.

Four manufacturing projects were secured during the year that together brought over 650 jobs and \$67 million in investment to New South Wales.

## CASE STUDY

## Drivetrain Systems International

Geely Automobile Holdings, one of the largest independent automotive manufacturers in China, purchased Australian company Drivetrain Systems International (DSI) from receivers to save the company from closure.

DSI designs, develops and manufactures automotive transmissions.

Manufacturing in Albury, New South Wales, the company is well recognised in both domestic and international markets and is one of only two independent automotive transmission manufacturers globally.

The impact of the Global Financial Crisis resulted in DSI being placed in receivership. The department worked with DSI, company receiver PricewaterhouseCoopers and the preferred purchaser, Geely to support the sale. The sale saved 132 jobs at DSI and has the potential to create another 240 jobs. Geely will invest \$19.2 million over the next five years.

Geely will retool the Albury plant and has committed \$13 million in capital expenditure in the first year. The company will also invest in the research and development arm of DSI, which supplies auto transmissions, to help the company maintain its leading role in the global auto parts market.

Aligning DSI with a rapidly growing automotive manufacturer like Geely gives DSI the best opportunity to succeed in the future. Supporting the acquisition by Geely will also help support the local suppliers and customers of DSI and other local businesses in Albury.



The department also supports bids to secure targeted footloose business events, including major conferences, congresses and exhibitions, and in 2008–09 attracted a number of major events to New South Wales, including the International Congress of the Transplantation Society and the World Congress in Ultrasound.

### Homebush Motor Racing Authority

In September 2008 the NSW Premier announced that Sydney would host an annual V8 Supercar motor race for five years at Sydney Olympic Park, with the first event to be held from 4–6 December 2009.

The *Homebush Motor Racing (Sydney 400) Act 2008* came into effect in December 2009. The Act established the Homebush Motor Racing Authority to coordinate and assist in the delivery of government services associated with the event and to undertake the role of consent authority for the event.

The NSW Government's commitment to the event followed an extensive assessment of the event proposal by the department. The economic benefit as a contribution to the gross state product is forecast at up to \$100 million over the five-year period. The equivalent of 110 full-time jobs will be created and opportunities will be provided for NSW TAFE trainees to work at the event in the hospitality, logistics and driver/mechanic support areas. The event is expected to attract around 15,000 overseas and interstate visitors and generate up to 30,000 additional hotel visitor nights in Sydney each year. One hundred and fifty thousand spectators are expected over the three days of the event.

The Sydney race is the Grand Finale round on the V8 Supercar Championship Series Event Calendar. This internationally viewed motorsport race is forecast to generate around \$20 million of international and national media exposure each year, which will promote Sydney and its pre-eminent event and entertainment precinct at Sydney Olympic Park through television, internet and broadband exposure.



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# 2

## Increase business competitiveness

**332**  
THOUSAND

INFORMATION AND BUSINESS SERVICES WERE PROVIDED TO CLIENTS IN 2008–09, AN INCREASE OF 20 PER CENT OVER THE PREVIOUS YEAR

**1764**

SERVICES WERE PROVIDED IN 2008–09, INCLUDING TECHNICAL AND MARKET ASSESSMENTS, AN INCREASE OF 11 PER CENT OVER THE PREVIOUS YEAR

### Nature and scope of activities

The department works to promote an innovative, profitable and competitive business sector in New South Wales through delivering business information programs, targeted grants programs, the creation of industry and research networks and communication initiatives.

#### SMALL BUSINESS SERVICES

The department offers small business programs and services specifically designed to assist the growth of small and medium-sized enterprises through the development of entrepreneurship, managerial and technical innovation and best practice. Educational and mentoring activities are targeted towards improvement in the key areas of business performance — sales, employment and exports.

A range of services and programs are also offered to start-up, micro businesses and special-needs operators. The special needs of particular businesspeople such as women, Indigenous people and home-based operators are taken into account.

#### EXPORT ADVISORY SERVICES

The department also provides export-ready NSW companies with effective ways of identifying new international markets by providing professional export development advice, up-to-date market intelligence and direct logistical and operational assistance.

Eleven specialist Export Advisers deliver the department's export and *Trade Start* programs (under contract from Austrade) to new and established exporters. They support companies with one-on-one coaching, participation in export seminars and workshops and preparation for involvement in the department's trade programs.

The *Trade Promotion Program* builds the capacity of NSW businesses to compete internationally through trade missions, exhibitions and market visits.

### Achievements

#### SMALL BUSINESS SERVICES

##### Stepping-Up Program

The *Stepping-Up Program* provides access to group workshops and specialised mentoring for owners of established, innovative businesses that are ready to grow. During the year a total of 303 individuals and organisations received financial assistance to participate in 21 programs. Six companies that participated in the *Stepping Up Advanced Capital Program* attracted \$6.8 million in potential capital investment, potentially generating over 60 additional jobs and achieving a capitalised value of over \$29 million.

Eight *Young Entrepreneurs Stepping Up* programs equipped 128 young business people with the knowledge and skills necessary to win new clients and make sales.





### Programs for women

The *Women in Business Program* assists women in the early stages of their business development. In 2008–09 six mentoring programs with 126 mentorees were delivered in Grafton, Newcastle, Port Macquarie, Sydney, North Sydney and Western Sydney. Feedback from participants indicated that around 64 per cent experienced increased business turnover and 23 per cent increased staff numbers as a direct result of the program. Five business growth strategy workshops on marketing and sales were delivered to 183 women in Sydney and regional locations.

The *Women in Manufacturing Network* aims to facilitate learning and development for female owners and executives in manufacturing. Four continuous learning forums were held during the year, three in Western Sydney and one in Sydney, with 166 women executives participating.

### New Market Expansion Program

The *New Market Expansion Program* is aimed at regional companies pursuing new markets by providing assistance for targeted marketing of new opportunities. This year 99 regional firms were assisted to pursue new markets through the program, including 8 firms that exhibited at the Organics Expo in Sydney and 16 firms that participated in the Fine Food Australia trade show in Melbourne. As a result of this participation, firms made initial sales of over \$300,000 and created eight new full-time jobs.

### Business and Innovation Clusters Program

The *Business and Innovation Clusters Program* supported eight industry clusters in Sydney and Western Sydney with 390 member companies. The program assisted clusters in high-value manufacturing, auto aftermarket, open source, software as a service, export and fashion arenas.

The department also assisted 17 regional industry clusters with 969 members across such industries as manufacturing, food and wine production, film and tourism. Industry support was provided through a combination of facilitation and financial assistance under the department's regional programs.

### Aboriginal Business Development Program

The *Aboriginal Business Development Program* continued to support Aboriginal people to sustain and grow businesses in New South Wales, with 71 Aboriginal businesses accessing financial support to develop and implement growth strategies. The Aboriginal Business Development Managers provided business advisory services to 229 Aboriginal companies and conducted nine business workshops for Aboriginal businesses across New South Wales.

In partnership with the NSW Department of Aboriginal Affairs, the department secured Australian Government funding to establish a team of nine new Economic Development Officer positions across New South Wales in 2009–10. The positions will support the development of Aboriginal self-employment, assist firms to access business programs, identify emerging industries and support the NSW/Commonwealth bi-lateral agreements, Job Compacts and the *NSW State Plan*. The positions will be shared between both agencies.

### Business Advisory Services

The *Business Advisory Service Program* is designed to help start-up and micro businesses plan their growth and development. In 2008–09 the program was delivered by 18 service providers across metropolitan Sydney and regional New South Wales.

The *Business Advisory Service Program* provided a total of 332,916 information and business services to clients in 2008–09, an increase of 20 per cent over the previous year. Over 30,000 of these were one-on-one guidance sessions for individuals intending to start or in the early stages of starting a business. The Business Advisory Service providers reported that these businesses could potentially create 5,600 new jobs.

### Innovation Advisory Services

*Innovation Advisory Services* are designed to assist in the early-stage commercialisation of inventions and innovative products or processes. The online *Innovation Advisory Service* at [www.ausinvent.com](http://www.ausinvent.com) was also supported, attracting 43,696 user sessions. The service provides self-assessment software,



a virtual exhibition option, links and news and information on relevant events.

*Innovation Advisory Services* provided a total of 1,764 services in 2008–09, including technical and market assessments. This represents an increase of 11 per cent over 2007–08.

### Business development events

During the year the department's business development events for small business owners and operators attracted almost 50,000 attendees across the State. Key events included:

- *Small Business September*, which provided practical information, guidance and tools on innovation and sustainability, sales and marketing, business management and international business and trade
- *Home-based Business Week* from 25–29 May 2009, which offered topics on selling during tough times, cash flow and e-marketing
- *Western Sydney Manufacturing Week* from 18–22 May 2009, which highlighted the significance of Western Sydney manufacturing and opportunities for manufacturers to improve business practices
- the *Managing through Turbulent Times* series of seminars to assist small business operators to deal with the impact of the global economic downturn
- the *Small Business Book Club*, which provided a forum for featured authors to discuss their business development books with small business owners and operators.

### Export advice and export development

In 2008–09 Export Advisers managed 748 clients, which represents an increase of more than 7 per cent over 2007–08. These clients achieved export sales of \$84 million — up from \$55 million over the previous year. As part of the *Trade Start Program*, Export Advisers also assisted 171 clients to achieve an export sale of \$5,000 or more. The department was paid a service fee in excess of \$600,000 from Austrade under nine individual *Trade Start* contracts.

The department, in collaboration with the Australian Institute of Export and private export consultants around the State, continued to deliver the *Getting Started in Exports Guide* and *Workshops Program*. The program provides new and early stage exporting businesses with the skills necessary to enter international markets. In 2008–09 these modules were delivered to 550 companies.

In 2008 the Premier's Exporter of the Year Awards, for which the department is the principal sponsor, attracted 85 NSW entrants. The NSW national category winners go on to contest the Prime Minister's Export Awards.

NSW companies won six national awards. The overall award went to Appen, a Chatswood-based company which is the world's leading provider of high-end text, speech and language technology resources. For the last six years in a row, the Prime Minister's Award has gone to businesses in New South Wales.

### Trade promotion

In 2008–09 the *Trade Promotion Program* provided assistance to 300 companies taking part in either trade missions or selected international exhibitions in more than twenty-seven international markets. These companies reported immediate sales of \$9.3 million and projected sales within the following 12 months totalling almost \$165 million as a direct result of participating in the *Trade Promotion Program*.

During 2008–09 the department also offered two general trade missions to New Zealand and Malaysia and three specialised missions to India, Vietnam and Hong Kong.

### Creative industries

In February 2009 the department released two reports profiling the creative industries sector in New South Wales — *NSW Creative Industry: Economic Fundamentals* and *NSW Creative Industry Insights*. These reports emphasised the creative industry's importance and contribution to the broader NSW economy, its dominance nationally, key challenges and opportunities for the future and proposed actions to further grow the industry. The report made a

**In 2008–09 the department's business development events for small businesses had a client reach of almost 50,000 across New South Wales.**

**These included:**

- 40,000 attendees at 368 events during *Small Business September*, 1,400 attendees at 40 events during *Home-based Business Week*
- more than 1,100 attendees at 23 events and seven site visits during *Western Sydney Manufacturing Week*
- more than 1,200 attendees at 30 seminars on *Managing through Turbulent Times*.

number of recommendations, including the development of a Creative Industry Strategy, which was announced in the 2009–10 NSW Budget.

For the second year the department organised an Australian presence at the Asia Pacific Advertising Festival in Thailand. Twenty-four companies participated, reporting \$550,000 in export sales at the festival and estimated sales of \$7.05 million over the next 12 months.

The department also attended the Cannes International Advertising Festival for the first time to market the creative and technical strengths of Sydney production houses and the new film-friendly legislation to an audience of 6,000 decision-makers. A series of advertisements and promotional materials were developed to target attendees both at the festival awards and the NSW networking event.

With Music NSW, the department assisted 13 artists and bands to participate in the South by Southwest music festival in Texas. Participants projected business outcomes of \$3.4 million through licensing and distribution deals, the signing of overseas booking agents, festival and touring offers and television/film synchronisation placements.

In 2008–09 Export Advisers managed 748 clients and helped them to achieve export sales of \$84 million, an increase of 7 per cent over the previous year.



In conjunction with the NSW Department of Education and Training, the department supported the Mobile Enterprise Growth Alliance to deliver industry-led workshops focussing on mobile content and applications. This culminated in a 'pitch day' to a panel of investors, broadcasters and telecommunications companies. Also, in partnership with Creative Economy, the department facilitated a series of workshops and individual mentoring to owners of creative businesses who wished to develop their entrepreneurial skills.

## Manufacturing

In 2008–09 the *Industry Capability Network* (ICN) helped secure \$259 million in business outcomes for NSW industry — up 20 per cent from the previous year. The majority of the new business (77 per cent) was generated in regional New South Wales, with the remaining increase in Sydney. The new business facilitated by the ICN secured over 3,000 jobs. Of these jobs, 2000 were located in regional New South Wales. The manufacturing and construction sectors were the main beneficiaries of ICN services.

During the year the department supported a wide range of workshops and information and promotional activities to generate business growth. This included supporting the Commonwealth's Enterprise Connect

Manufacturing Skills Pilot Program, with 18 NSW companies developing best practice in retention and retraining of staff, and assisting the Technical Textiles and Non-Wovens Association to undertake workshops on Re-tooling for Climate Change and Opportunities in Defence Procurement. At a policy level, the department provided advice to the Australian Government's Review of the Australian Textile Clothing and Footwear Industries (TCF). The review led to the announcement of a new \$401 million, seven-year TCF assistance package.

The department promoted New South Wales and supported NSW companies at a number of international exhibitions. Results achieved include:

- sales and distribution deals worth over \$17 million by 13 NSW medical equipment companies participating in the HOSPI Medica Asia trade show in Singapore
- forecast business deals valued at around \$34 million by the 14 companies participating in Medica 2008, the world's largest medical device and supplies conference in Germany
- over 250 new clients identified, sales of \$2.5 million with anticipated sales of \$2.2 million by 10 companies, exhibiting at Dubai International Boat Show 2009.

Twelve NSW companies participated on a NSW stand at the Avalon International Air Show in February 2009. Participants predicted an estimated \$7.9 million in business will follow over the next two years. Seven NSW companies were also supported to travel to the Aero India 2009 air show in Bangalore, India as part of the Team Australia stand.

## Food and wine

The wine industry was promoted extensively during the year. Events included the *NSW Wine Awards*, a NSW wines trade event and NSW Wine Week, a consumer event in Sydney's Hyde Park that attracted 25,000 visitors, contributing to an increase in retail sales of bottled wine by 12.6 per cent over the previous year.

Two regional food and wine showcases were held at NSW Parliament House to promote the Riverina and Hunter/Central Coast regions. The showcases introduced 30 suppliers from each region to 200 food trade and media contacts, generating business leads and increasing the profile of the regions as culinary tourism destinations.

## Extensive wine industry promotions contributed to an increase in retail sales of bottled wine of 12.6 per cent over the previous year



A Japanese Fine Food Harvest Tour to Sydney and regional New South Wales in April 2009 introduced 12 organisations from Japan to NSW suppliers. The department also supported a range of Taste Australia supermarket promotions in key Asian markets. These promotions, in Singapore, Malaysia and India, generated sales for around 20 NSW suppliers.

The department supported 26 companies exhibiting at HOFEX 09, the largest food, beverage and hospitality trade show in Asia. Anticipated sales of over \$15.5 million were achieved.

NSW suppliers were also introduced to local and overseas buyers through promotional initiatives including the Australian Fashion Showcase (part of G'Day USA) in New York, Fashion Exposed 2009, and the 2009 Rosemount Australian Fashion Week.

### Defence

Mr John Blackburn AO was appointed as the NSW Government's Defence Industry Advisor. Mr Blackburn was formerly Deputy Chief of the Royal Australian Air Force and head of the Strategic Policy Division in the Department of Defence. His role includes developing a defence industry strategy, promoting NSW defence

industry capabilities and identifying opportunities for NSW companies.

A Regional Defence Round Table was hosted by the Hon Philip Costa MP, Minister for Regional Development. Attended by representatives from local councils, economic development boards, the Department of Defence and industry associations, the round table increased awareness of defence opportunities.

Australian Business Limited was commissioned to undertake a NSW defence industry sector study. The study will be used to better understand local capability and to target new investment opportunities.

### Transport, logistics and storage

The department facilitated the amalgamation of the Air Freight Council and Sea Freight Council of New South Wales in October 2008. The newly established Freight and Logistics Council of New South Wales aims to drive innovation, increase investment and create and retain jobs in a sector that has been particularly affected by the global economic downturn. The department committed \$140,000 in funding to the association during the

year to help achieve its objectives and to attract an equal amount in Australian Government funds.

In June 2009 the department supported the 8th biennial Smart Conference, which is the major forum in the Asia-Pacific for industry practitioners to share knowledge on the latest supply chain challenges facing businesses worldwide. The event attracted more than 560 delegates, including international and interstate visitors. The department sponsored the inaugural Award for Excellence in Supply Chain Innovation in New South Wales, which was won by the Hunter Valley Coal Chain Logistics Team.

The department, in partnership with the Australian Logistics Council, hosted the inaugural Innovation & Technology Summit in November. The summit provided an opportunity for 80 senior decision-makers from the transport and logistics sector to meet and discuss opportunities for productivity improvement in the industry in Australia.

### Sustainable industries

In November 2008 the department supported the Australia-German Solar and Bio Energy Conference organised by the German Chamber of Commerce. The department helped organise a symposium with the trade delegation of German solar and bio-energy companies wishing to partner with NSW companies. Twenty German companies attended the conference along with representatives of 130 NSW businesses and agencies, including the Photovoltaic Research Centre of the University of New South Wales.

In partnership with the NSW Department of Environment and Climate Change, NSW Department of Planning and other relevant agencies, the department initiated a concerted bid to attract funding for one or more solar flagship projects under the Australian Government's Clean Energy Initiative announced in May 2009.



## Develop an attractive business environment

DRIVING INNOVATION IN SYDNEY  
AND NEW SOUTH WALES

### Nature and scope of activities

The department researches and analyses business and economic development issues to advise the department's Ministers and to inform both relevant whole-of-government policies and its own programs.

The department evaluates the impact on the State's economy of projects relating to departmental result areas, supporting decision-making with economic and statistical advice, investment analysis and comparison of the State's economic performance with competitor markets. It also provides strategy and planning advice based on extensive research on tourism issues.

The State's research development and innovation framework, for which the department is responsible, is an important mechanism through which an attractive business environment is fostered. In this connection, the department seeks to build partnerships between business, universities and government.

Relationship building is also crucial to promotion of the State's business interests and leveraging of business opportunities for regional New South Wales. The department therefore works closely with other NSW agencies, governments in other jurisdictions and industry and business groups.

The department provides secretariat services to seven advisory councils/boards and supports ministerial participation in councils established under the Council of Australian Governments.

### Achievements

#### NSW JOBS SUMMIT

The department worked with the NSW Department of Premier and Cabinet to deliver the NSW Jobs Summit in February 2009, later followed by regional summits in the Illawarra and the Hunter. The summits explored how the NSW Government could support jobs in a difficult economic environment, focussing on 13 identified industry sectors. These are: finance and insurance; property and business services; information and communications technology; creative industries; education and training; health and community services; infrastructure and construction; manufacturing; tourism and hospitality; transport, logistics and storage; primary industries and mining; retail and environmental technologies.

Action following the NSW Jobs Summits included the appointment of 'go to' persons for each of the identified 13 sectors of the economy, whole-of-government action on procurement reforms, the establishment of the \$70 million *Major Investment Attraction Fund*, Rapid Response Teams to address regional industry restructures, land-use planning reforms and a focus on attracting renewable energy investment. The



impact of government action is being monitored through a Jobs Scorecard that maintains a tally of jobs supported through government investment in infrastructure, government programs and services for industry, investment attraction and other initiatives.

## Planning and policy

The department has lead responsibility for coordinating the implementation of two of the *NSW State Plan* priorities — Priority P1: Increased business investment and Priority P6: Increased business investment in rural and regional New South Wales. In fulfilling this responsibility the department provided timely policy advice to Ministers on economic, investment and business development issues to enable informed decisions on advancing New South Wales as a competitive business location.

Significant submissions addressed included:

- the impact of withholding tax on the financial services industry
- the Australian Government's Aviation Green Paper and
- the masterplan for Sydney Airport.

The department provided input to NSW policy development in the area of climate change. This was done through advice to the department's Ministers and other NSW government agencies on the economic development implications for New South Wales of proposed climate change policies. The department also contributed to the development of NSW government submissions to the Australian Government's White Paper on the Carbon Pollution Reduction Scheme. These actions are designed to ensure that New South Wales is positioned to realise new job opportunities resulting from changes in the operating and regulatory environments and changing community expectations on actions to address carbon pollution.

The department worked with the NSW Department of Planning and with local government on the implementation of the Sydney Metropolitan Strategy and the development of regional and subregional strategies to promote growth in regional cities, major and strategic centres and smaller centres.

Expected outcomes include increasing the attractiveness of strategic centres as places in which to live, work and invest, increasing jobs and achieving a closer connection between major centres and metropolitan cities.

## FINANCIAL SERVICES SECTOR

In 2008–09 the department organised the Financial Services Hub Summit, a joint initiative of the NSW and Australian governments. The summit, held on 31 July 2008, was important in identifying key policy issues that need to be addressed in order to position Australia as a regional financial services hub and led to the establishment of the Australian Financial Sector Forum and Financial Sector Forum Reference Group. The department is a member of both bodies.

## NATIONAL BROADBAND NETWORK TASKFORCE

On 12 May 2009 the Premier announced the establishment of a NSW National Broadband Network (NBN) Taskforce. The department is working with the NSW National Broadband Network Taskforce to maximise the benefits to New South Wales of the enhanced NBN. This will be achieved through the development of a NBN industry and skills plan, supporting activities to develop NBN test beds and positioning Sydney as the headquarters of the proposed NBN company.

## SMALL BUSINESS REGULATION REVIEW

Until March 2009 the department had responsibility for the Small Business Regulation Review, the objective of which was to reduce the burden of regulation on small business by minimising unnecessary, duplicative, inconsistent or excessive regulation. Three targeted reviews of the compliance burden on the accommodation, food and beverage, motor vehicle services and metal manufacturing sectors were completed to that date, each involving consultations with individual businesses and peak groups.

Following the restructure of the department, responsibility for the Small Business Regulation Review transferred to the Better Regulation Office within the NSW Department of Premier and Cabinet.

## STAKEHOLDER ENGAGEMENT

During the year the department provided secretariat support to seven business advisory councils/boards as follows:

- **NSW Innovation Council**, which advises the NSW Government on policies and strategies which create an environment where it is easier for businesses to innovate, improve the innovative capacity of the NSW private sector, help increase investment and build stronger rural and regional economies. During the year the council assessed activities in the areas of creative, financial services, and transport and logistics industries, low carbon innovation, developed a regional innovation strategy, and provided advice on the Commonwealth's proposed National Broadband Network and review of the National Innovation System
- **NSW Medical Research Hub Liaison Group**, which comprises representatives from the State's eight medical research precincts. Work included input into a review of the *Medical Research Support Program*, development of insurance and indemnity guidelines and an intellectual property framework and discussion of best practice governance models for NSW medical research precincts. The group also discussed strategic approaches to proposals seeking State/Federal funding for capital infrastructure and how to attract funding through Commonwealth programs for supporting medical research
- **NSW Manufacturing Council**, which advises the NSW Government on issues that impact on manufacturing in New South Wales and how the government can support NSW manufacturers and their products. Issues considered by the council during the year were innovation in manufacturing, government procurement, advisory services for manufacturers and energy policy and skills for greener manufacturing



**The department's small business website ([www.smallbiz.nsw.gov.au](http://www.smallbiz.nsw.gov.au)) doubled its website pages viewed during Small Business September when small business owners search and registered for local events.**

- **NSW-Asia Business Advisory Council**, which hosted the Premier's Asia Business Dinner and a networking event with Sydney-based bilateral business organisations. The council also submitted recommendations to the NSW Ministerial Taskforce on International Education on promoting NSW education exports in key markets in Asia
- **Small Business Development Corporation**, whose functions include small business education, research, investigation of special issues and preparation of submissions to federal and state agencies that address the concerns of small business. In 2008–09 the corporation hosted a number of events during *Small Business September* including the Small Business Solutions 4U seminars
- **Regional Development Advisory Council**, which comprises the State's 13 Regional Development Boards and focuses on the staff retention and recruitment issues faced by regional businesses. During 2008–09 the council published a report outlining impediments to skills development in regional communities and describing

successful strategies that public and private organisations had employed to overcome them

- **Tourism NSW Board**, which is appointed under section 4 of the *Tourism New South Wales Act 1984*. The board advises the Minister for Tourism. In 2008–09 the Board set up three industry reference groups made up of tourism industry leaders with expertise from a Sydney, international and regional tourism perspective. Industry interaction and the ability to work in partnership with industry groups is essential to Tourism NSW reaching its targets. The NSW Tourism Strategy sets a target of \$20 million in industry investment and the Tourism board and its reference groups are an essential means to deliver this target due to their direct links to the industry.

The department also supported the cross-departmental CEO Business and Economic Development Cluster and the Skills Council. The cluster, which is chaired by the department's Director General, provides a structure for heads of agencies to work together on strategic projects and issues to achieve the NSW State Plan Prosperity targets. The Skills Council, a sub-group of the CEO Cluster,

is a high-level forum to drive skills and workforce development in New South Wales by coordinating activities across government agencies that influence the demand for and supply of skilled labour.

### Regional and community economic development

Through the CEO Business and Economic Development Cluster, the department coordinated the development of 12 Regional Business Growth Plans. These provide a blueprint for collaboration among NSW government agencies, local government, Regional Development Boards and other business stakeholders and are designed to achieve sustainable economic growth, local employment and skills training.

In 2008–09 a total of 118 communities were assisted with project funding under the *Community Economic Development Program* and *Small Chambers of Commerce Fund*. Ninety-three projects funded under the *Community Economic Development Program* (prior to this financial year) were completed during the year, leveraging \$3.4 million in funds and creating 93 jobs. Among projects were:

- the Lismore Alive project, which involved the development and implementation of a marketing campaign to attract people to the city centre over weekends, thereby stimulating business and employment growth
- Cowra's Entrepreneurs Program, which assisted innovative and entrepreneurial existing businesses to grow and create more jobs.

During the year 60 projects were funded to investigate economic development and growth opportunities in regional New South Wales under the Developing Regional Resources Program. Projects included:

- the development of a masterplan for Wagga Wagga's Bomen Business Park, which will help create a sustainable industrial precinct capable of attracting new industries and new employment opportunities
- partnering with Wollongong City Council to prepare a Wollongong Investment Attraction Strategy
- assistance for the Durri Aboriginal Corporation to develop an Indigenous creative economic cluster in the Macleay Valley.

The *Regional Development Board Innovation Program* assisted the network of 13 Regional Development Boards to pursue economic development opportunities in their regions. Among the 46 projects assisted in 2008–09 were:

- a marketing campaign to attract more aviation and defence-related businesses to the Hunter, increasing investment and employment opportunities
- support for a project officer for the Northern Rivers Food Forum to facilitate industry development to the value-adding food industry.

### Information service for small business

The department's small business website ([www.smallbiz.nsw.gov.au](http://www.smallbiz.nsw.gov.au)) continued to be a useful business resource, offering a range of information, business tools and guidance to small businesses at various stages of their life cycles. In 2008–09

**The department coordinated the development of 12 Regional Business Growth Plans which provide a blueprint for collaboration among NSW government agencies, local government, Regional Development Boards and other business stake holders.**

**The plans are designed to achieve sustainable economic growth, local employment and skills training.**

the website received around 800,000 unique visitors while, in the four months following its March 2009 launch, the smallbiz website events module received almost 30,000 unique visitors. The utility of the site was further confirmed by the doubling of website pages viewed during *Small Business September* when small business owners across the State searched and registered for local events.

The department worked towards establishing a state-wide information service for small business designed to improve accessibility to information, programs and services by utilising a central customer contact centre and significantly upgraded smallbiz website. An important new feature of the site will be the *Small Business Tool Kit*, an online interactive learning tool for those looking to start, run and grow their enterprise. The tool kit will allow more people to undertake introductory small business training and develop business plans at their own pace.

### Drive for Talent

A highly-skilled workforce is a key driver for attracting business investment in the State. The department's *Drive for Talent Program* boosts the State's workforce by enticing skilled workers from overseas and interstate to live and work in metropolitan and regional New South Wales. Skills in demand in Sydney are principally in the areas of finance, information and communications technology and bioscience while those in demand in the regions vary according to different business needs.

In 2008–09 the program supported over 2,000 visa applications, an increase of 50 per cent from last year, bringing skills to New South Wales in areas where a shortage has been identified.

New South Wales was promoted as a place to live and work at the Australia Needs Skills Expo in London and at an Australia Migration Open Day in Manchester in June 2009. Both events were part of the G'day UK promotion. The events in the United Kingdom were attended by over 2,000 skilled workers, almost 900 of whom held individual discussions at each show with departmental staff. The expos are expected to lead to more than 50 skilled workers applying for visas to migrate to New South Wales.

### NSW TRADE AND INVESTMENT CENTRE

The NSW Trade and Investment Centre attracted over 37,000 visitors and delivered 3,000 events in 2008–09. Room fees to the value of \$150,000 were waived for clients from not-for-profit business organisations and the private sector involved in winning new business for New South Wales.

As well as hosting investment attraction events and international business delegations, the centre supported events to help businesses establish, expand and prosper in Sydney and New South Wales.

To raise the profile of NSW food and beverages, the centre hosted several formal lunches and dinners exclusively based on regionally sourced produce and wine. This policy complements the department's other food industry development initiatives.

Key events hosted during the year included *Small Business September* seminars and workshops, the launch of the 2009 *Women Going Global* program and the Sustainability through Innovation Symposium.

The NSW Tourism strategy, finalised in November 2008, aims for a coordinated approach to promoting Sydney and regional New South Wales and expanding our international presence.



### NSW tourism industry

In 2008–09 the NSW Government announced that Tourism NSW would receive \$40 million over three and a half years to deliver the NSW Tourism Strategy.

The strategy, finalised in November 2008, aims for a coordinated approach to promoting Sydney and regional New South Wales and expanding our international presence. It focuses on eight key areas, including tourism governance, and on partnerships between industry and government for promotional purposes and to address tourism supply issues such as infrastructure development, transport and aviation.

In May 2009 the Minister for Tourism, Jodi McKay, brought together the heads of peak organisations to discuss issues impacting on tourism and contribute to the development of the Tourism Industry Plan, which will build on relevant national, state and local strategies such as the National Tourism Strategy, national aviation policy, NSW Jobs Summit initiatives and state planning reforms. The plan will set out the means to promote business expansion, maximise job growth, facilitate sustainable tourism development and meet *NSW State Plan* targets.

During 2008–09 a ministerial taskforce was established with the National Parks and Wildlife Service. The Tourism – National Parks Taskforce completed a report that addresses opportunities for an enhanced level of sustainable nature tourism on NSW public lands, particularly national parks, marine parks and reserves. The Tourism and Education Taskforce was also established to maximise the tourism benefits from long and short term international students.

### Retail dispute resolution

In 2008–09, the department, through the Retail Tenancy Unit, carried out the functions of the Registrar of Retail Tenancy Disputes set out in the *Retail Leases Act 1994*. Unit staff arranged the formal mediation of retail shop lease disputes and offered preliminary assistance, including provision of information on rights and responsibilities.

This year there were close to 8,000 requests for informal mediation and preliminary assistance, approximately 15 per cent more than the previous year. Applications for formal mediation reached 372, 17 per cent higher than last year's reported figure.

The success rate for formal mediation remained relatively unchanged at 81 per cent. In 80 per cent of the matters referred to the Registrar, the parties did not seek a court determination of their claim. The high resolution rate increased market certainty, which not only improved business confidence in New South Wales but also reduced legal costs for business and increased the time available to focus on core activities.

Additionally, the unit assisted in the administration and dispute resolution of the retail bond scheme. Interest on the investment of the 16,989 retail bonds held was used in part to pay for the administration of the Act. As an indication of the popularity of the scheme, the number of retail bonds held increased by approximately 8 per cent during 2008–09.





KRA

# 4

## Market the strengths of Sydney and New South Wales

SYDNEY VOTED  
WORLD'S TOP  
CITY, AGAIN!

SYDNEY WAS RANKED THE NUMBER ONE CITY IN THE WORLD FOR THE 7TH CONSECUTIVE TIME AT THE PRESTIGIOUS CONDÉ NAST READERS' CHOICE AWARDS IN NEW YORK IN 2008. FOR A RECORD 20TH YEAR IN A ROW, READERS OF THE INFLUENTIAL AMERICAN TRAVEL MAGAZINE ALSO VOTED SYDNEY THE TOP CITY IN THE AUSTRALIA/PACIFIC CITIES CATEGORY.

### Nature and scope of activities

The department is responsible for developing and implementing corporate marketing and media strategies to promote the business strengths of Sydney and New South Wales both within Australia and internationally.

Through Tourism NSW, the department markets Sydney and New South Wales as a desirable holiday destination to increase visitor nights. Work includes building and converting awareness of New South Wales as a visitor destination in Australia and in overseas target markets, which in turn drives business, investment and job growth. The impact of tourism marketing activities is increased by leveraging partnerships with industry operators and commercial alliances.

The department manages the content and presentation of the main NSW business site, [www.business.nsw.gov.au](http://www.business.nsw.gov.au), the [www.sydneyaustralia.com](http://www.sydneyaustralia.com) site for international business promotion and the [www.smallbiz.com.au](http://www.smallbiz.com.au) website.

The Department, through Tourism NSW, continues to invest in digital communications activities to enhance its presence online with its consumer websites – [www.visitnsw.com](http://www.visitnsw.com) and [www.sydney.com](http://www.sydney.com).

### Achievements

#### Business promotion and communication

The [www.business.nsw.gov.au](http://www.business.nsw.gov.au) website continued to improve, experiencing a growth in monthly visitors and page views throughout the year. Over 300,000 page views were delivered each month by the main business site from around 70,000 monthly web visits while corresponding figures for the small business website, [www.smallbiz.nsw.gov.au](http://www.smallbiz.nsw.gov.au), were even higher.

During the year the department prepared 793 media releases, 449 speeches and messages and managed 532 media inquiries. The total number of media releases was higher than the previous year due to an increase in activities that identified stories and stronger links to key events.

### International business promotions

#### OUTWARD VISITS AND INBOUND DELEGATIONS

Working with Australian and overseas governments, business and other partners, the department manages international missions led by the Premier and government Ministers. The department also hosts inward business and government delegations from around the world.

In 2008–09 the department provided advice and organised outward visit programs for NSW government delegations to the United States, United Kingdom, India, China, UAE and Italy. There were also seven tourism *Missions to Market* visits to Hong Kong, China, Japan, Singapore and India, which enabled 248 tourism industry participants to establish relationships with major travel distribution partners in emerging international markets.

## Digital communications activities enhanced the department's presence online with its business and consumer websites.

The State's capabilities were promoted to inward international delegations from numerous countries including: China, India, Japan, Indonesia, Republic of Korea, Saudi Arabia, South Africa, Spain, Colombia, Mongolia, Nepal, Germany and Croatia.

### G'DAY USA: AUSTRALIA WEEK 2009

The department coordinated the NSW Government's sponsorship of the annual G'Day USA – Australia Week promotion, which was held during January 2009 in the United States.

The program of business and entertainment events in Los Angeles, San Francisco and New York attracted broad media coverage, which assisted in increasing Australia's profile in the US market. New South Wales' involvement in the wider G'Day USA program supported the NSW Government's objective of promoting Sydney as a global city and destination for international investment, events and tourism as well as a source of world-class products and services.

G'Day USA enabled the department to identify leads for potential investment projects valued at almost \$2 billion. In pursuing these opportunities, it conducted over 20 separate business meetings with key decision-makers in a number of priority industry sectors.

Additionally, successful profiling of nine NSW food and beverage exporters was achieved through the month-long supermarket promotion at 37 separate food stores in three different markets (Los Angeles, San Francisco and New York).

### G'DAY UK

The department also coordinated the NSW Government's sponsorship of the annual G'Day UK program held in London in June. The program focused on four main areas: trade and investment, food and wine, skilled migration and tourism. New South Wales was promoted as a place to live and work at the Australia Needs Skills Expo in London and at an Australia Migration Open Day in Manchester as part of the G'Day UK promotion.

The department also managed the *NSW Innovation Showcase* satellite events staged in London and Manchester at which eight innovative NSW technology firms assessed their prospects in the

market, met relevant business leaders and possible investors, and presented themselves to a targeted audience of industry decision-makers. Early feedback indicates over \$1.35 million in projected sales in the coming year.

### NEW INTERNATIONAL OFFICES

In April 2009 the Premier announced, in the NSW Government's response to the Jobs Summit, that New South Wales would establish four international offices in China (Shanghai and Guangzhou), the United Arab Emirates (Abu Dhabi) and India (Mumbai). Minister for State Development, Ian Macdonald, launched the Guangzhou office in June. The new offices will strengthen New South Wales' international business presence and develop opportunities that will generate employment through increased inbound investments and exports.

### WWW.SYDNEYAUSTRALIA.COM

The portal for international web users, received contact from nearly every nation around the world, with the United States, United Kingdom and Asia dominating the visitor list. The site provides market-specific information for China and India and is available in both English and simplified Chinese. It is also used to point interested parties to various sources of information on NSW business, education and tourism.

### SPORT INFRASTRUCTURE AND SERVICES

The department promotes New South Wales expertise in delivering major international sporting and business events, including the Olympic, Asian and Commonwealth games; supports attraction of selected international conferences and events at bid and delivery stages, in conjunction with Events NSW; and develops business leveraging programs associated with major events staged in New South Wales.

The Australian International Sporting Events Secretariat (AISES), a partnership between the NSW, Queensland and Victorian governments, assists Australian major event companies to achieve international success around key international sporting events. Over the past two years AISES has promoted New South Wales and Australian expertise for the 2010 Commonwealth Games

in Delhi, which has resulted in the awarding around \$40 million in contracts. The contracts are in addition to those awarded in Beijing where recipients included two separate teams of Australian specialists working with the Tokyo and Rio de Janeiro bid committees for the 2016 Olympic and Paralympic Games.

Close support by AISES and the preceding Sydney-Beijing Olympic Secretariat of the Organising Committee for the Beijing 2008 Olympic and Paralympic Games resulted in more than 80 Australian (and more than 50 NSW) companies securing over 100 contracts valued at around \$200 million between 2004–08.

The department received a Silver NSW Premier's Public Sector Award for its Beijing Olympics business program.

## Domestic business promotions

Trade show activity was strong and included CeBIT, Avalon Air Show, the Defence Expo in Adelaide, a joint venture with TAFE NSW, and a series of food and wine showcases profiling various regions across New South Wales.

The *NSW Regional Food Tours* brought together regional producers and buyers from Sydney, Canberra and the Southern Highlands. The format gives buyers the chance to meet all producers and then follow-up the most promising leads.

The department sponsored the 2008 Country Week Expo in Sydney to promote the benefits of working and living in regional New South Wales. In 2008 a jobs board featured over 770 current job vacancies in regional towns.

## Marketing NSW tourism product

### BRAND SYDNEY

The department is the lead government agency on a steering committee charged with re-establishing Sydney's 'competitive identity'. This project is a cross-government, public and private sector joint venture.

## The extent and effectiveness of the department's tourism marketing activities is increased by leveraging partnerships with industry operators and commercial alliances.

### DIGITAL MARKETING

In recent years, the tourism industry has witnessed a dramatic increase in online travel research and bookings. Tourism NSW provides information on approximately 9000 tourism businesses and events each month through the [www.visitnsw.com](http://www.visitnsw.com) website. In September 2008 the website was enhanced with an improved Google maps application providing maps and driving instructions and Streetview was made available in January 2009. A mobile version, [m.visitnsw.com](http://m.visitnsw.com), was launched, providing users with on-road access to attractions and visitor information.

In 2008–09 the department attracted 3.8 million visitors to its tourism consumer websites, exceeding the 2.8 million visitor target. Visits to the websites generated more than 802,000 leads to tourism products, representing an increase of 200.7 per cent over the target for 2008–09.

The [www.sydneyforall.com](http://www.sydneyforall.com) website, introduced in November 2008, is an award-winning initiative of Tourism NSW and research partner, the University of Technology, Sydney. The portal was developed by the department's online services to meet international standards. Website content provides accessibility information on destinations and experiences around Sydney for tourists with access needs and those accompanying them.

The Tourism NSW corporate website and online image library provided the tourism industry with the latest images, state industry news and tools to help operators grow their business. The corporate website, which generated 194,000 visits in 2008–09, provided current research data and information on partnership programs for domestic and international markets.

An e-kit was developed by Tourism NSW, in partnership with the Australian Tourism Data Warehouse and all Australian state and territory tourism offices. Available via the corporate website, the e-kit offers tutorials for tourism operators on how to maximise online marketing opportunities and utilise online booking systems.

### Domestic tourism marketing

In 2008–09 television advertising promoting holidays in New South Wales reached more than 8.3 million people across Sydney, Melbourne and Brisbane, on average more than 14.3 times. Magazine and newspaper advertising reached more than 14 million people, on average 22.1 times.

The department worked with more than 350 tourism industry partners who invested in or provided in-kind support for marketing and promotional activities throughout 2008–09. In addition, partnerships with non-traditional partners such as The Wiggles and the NSW Roads and Traffic Authority were developed to leverage destination marketing and promotional activities.

The department conducted more than 50 advertising campaigns for Sydney and regional New South Wales, with cooperative partner investment totalling almost \$4.7 million.

An example is the Vivacity campaign, 'When wonderful Sydney comes out to play', from October 2008 to February 2009. This campaign was delivered in conjunction with more than 50 industry partners via television, press, magazine and online advertising. It positioned Sydney as a creative, stylish and unique destination, integrating both Events NSW' collection of Sydney events from New Year's Eve to Chinese New Year and Tourism NSW' destination campaign to increase travel to Sydney.

The results of the advertising impact study showed appeal of Sydney as a destination increased over the campaign period from 31 per cent to 41 per cent. The campaign increased spontaneous awareness of Sydney as a destination from 63 per cent to 74 per cent, with 47 per cent considering and 27 per cent intending to visit Sydney in the next 12 months.

Other activities included a presence at the Caravan and Camping shows in Melbourne, Sydney and Brisbane; the creation and distribution of a range of Sydney and regional NSW arts, culture and event listings; and food and wine features for the Australian travel and lifestyle media.

### Marketing regional tourism New South Wales

Tourism NSW marketing activity focused on promoting destinations within the seven key campaign zones:

- North Coast
- South Coast
- Outback NSW
- Heart of Country
- Lord Howe Island
- Snowy Mountains
- Sydney's Surrounds.

Integrated marketing campaigns, including television, print and public relations, were developed for regional New South Wales along with digital marketing initiatives.

Public relations activities for regional New South Wales included 211 media visits across New South Wales with 342 participants, resulting in more than 730 published articles. Estimated advertising value, which equates an article with the appearance cost of an advertisement, totalled \$31.45 million for regional New South Wales in 2008–09.

### Marketing Sydney within Australia

The seasonal platform allowed the department to capitalise on Sydney's year-round major events program, constantly refreshing potential travellers' ideas of the city and enticing new and repeat visitors.

The \$1.5 million marketing campaign to promote Sydney's unique new winter festival, Vivid Sydney, delivered by Events NSW and incorporated a range of events and activities raising appeal and attracting visitation to Sydney. The campaign attracted more than 100 industry partners and promoted the Sydney Writers Festival, the 56th Sydney Film Festival, the Archibald Prize, the Sydney Royal Easter Show and celebrations for Darling Harbour's 21st birthday.



## An Extensive program of media visit was organised for Event NSW's Vivid Sydney 2009 event to showcase Sydney's creative industries and attractions.

'Facade' light installation at the Museum of Contemporary Art, part of small light, Vivid Sydney Festival 2009  
CREDIT: HAMILTON LUND, TOURISM NSW



Campaign website pages received 138,881 page views, with 75,824 visits to [www.sydney.com/senses](http://www.sydney.com/senses) generating 18,173 leads for participating partners. Consumers downloaded 22,410 Enliven your Senses Cards via pdf and mobile phone SMS. Average weekly visits to the [www.sydney.com](http://www.sydney.com) website during the campaign increased by 19.45 per cent compared with the six weeks prior to the campaign launch.

Public relations activity for Sydney campaigns over 2008–09 included 93 media visits with 121 participants, generating more than 450 published destination articles and 235 broadcast minutes. Estimated advertising value totalled \$11.65 million.

In June 2009 the department launched a \$2.7 million *Greater Sydney Tourism Partnership Funding Program* to promote tourism destinations and events within the Greater Sydney metropolitan area. The program offers all 40 councils, together with industry and event organisers, funding support for cooperative destination marketing campaigns and for event promotion.

### International tourism marketing

The department promotes Sydney and New South Wales across 13 key international tourism markets and has offices in Auckland, London, covering Europe, Los Angeles, Tokyo, Singapore, covering South Asia, and Hong Kong, covering North Asia.

In 2008–09 a total of 48 promotional campaigns were delivered by international offices in partnership with major airlines including V Australia, Qantas, Etihad, Jetstar and Delta to promote new and increased air services to Sydney and New South Wales and increase awareness of NSW destinations.

The department was represented at 47 international trade and consumer shows to promote the distribution of NSW tourism products in key overseas markets.

New Product Workshops are designed to introduce new Sydney and NSW products to key trade partners and travel trade media and to facilitate commercial partnerships between NSW operators and market wholesalers. The workshops, which were held in Australia, North America, the United Kingdom and Europe, involved 25 NSW industry participants.

The department launched the *International Incentive Fund* during the year. The fund assists export-ready NSW tourism businesses and destination representatives to participate in NSW overseas trade missions. By June 2009 45 companies had signed up for assistance.

The State was showcased to 600 buyers from 40 countries at the Australian Tourism Exchange 09 in Melbourne. New South Wales had a strong presence, with nearly 90 NSW tourism product suppliers attending.

International public relations activity included 136 media visits with 215 participants, generating more than 896 destination articles. Estimated advertising value totalled \$63.08 million for Sydney and New South Wales in 2008–09. In addition, the department coordinated more than 71 tourism travel trade familiarisations with 840 participants.

To tap the fast-growing global youth travel market, social media were used to great effect in the MySpace MySydney US pilot, which is the subject of a case study at the end of this chapter.

### EVENTS LEVERAGING

World Youth Day celebrations were held in Sydney in July 2008 and the department undertook a significant number of activities to maximise the



The State was showcased to 600 buyers from 40 countries at the Australian Tourism Exchange 09 in Melbourne. New South Wales had a strong presence, with nearly 90 NSW tourism product suppliers attending.

associated tourism opportunities. These included media services to around 2,000 accredited international journalists and promotion in international markets in conjunction with the Catholic Church-appointed Harvest Youth Travel.

In a similar vein, the department is maximising promotional tourism opportunities with the Sydney 2009 World Masters Games, having assisted with the event bid. The games, to be held in October 2009, are an opportunity to showcase Sydney and New South Wales to a worldwide audience.

### Visitor services

The department continued to manage the *Visitor Information Centre Network Accreditation Program* across the State. The network consists of 177 accredited centres in New South Wales and is marketed through a range of initiatives aimed to raise consumer awareness of the italicised yellow 'i' on a blue background, with the slogan of 'i ... will take you there'.

The department, in partnership with City of Sydney, Sydney Harbour Foreshore Authority and Sydney Airport Corporation, produced and distributed almost one million copies of the *Sydney Official Guide* in English, Japanese, Chinese and Korean and 200,000 copies of the *Sydney Shopping Guide*.

### Tourism industry and destination services

Destination Development workshops brought together departmental representatives, regional tourism organisations and local tourism operators to discuss ways to increase the visitor appeal of their destinations.

Guided by the department, participants developed shared action plans for tourism marketing and development and received a toolkit with a databank of industry information, new factsheets and details of organisations that provide business development opportunities. Workshops were conducted in the New England and North West regions at Armidale and Glen Innes in late August 2008 and at Moree and Gunnedah in early September and on Lord Howe Island on 8 September 2008.

The 5th annual Local Government and Shires Association Tourism Conference, sponsored by Tourism NSW and hosted by Kiama Council, ran from 10–12 March 2009. More than 200 delegates participated, with industry experts and practitioners presenting to the conference.

Additionally, under the Tourism Strategy, 13 briefings were held across the State for 80 regional and 10 Sydney councils.

### Regional Tourism Organisations

Regional Tourism Organisations (RTOs) are independent, incorporated organisations established to provide effective regional coordination and administration of the tourism industry. Under the Regional Tourism Investment Program Agreement administered by the department, RTOs marketed their respective nominated NSW regions and fostered development to benefit their members, the industry and the wider community. The Regional Tourism Investment Program was replaced by the *Regional Tourism Partnership Program* in January 2009 with funding of \$10.5 million over three years under the Tourism Strategy. See page 115 for further details in appendices.

There are currently 13 RTOs in New South Wales.

The Forum of Regional Tourism Organisations was set up by Regional Tourism Organisations, to guide, facilitate and coordinate regional tourism development and RTO marketing activities.



## CASE STUDY

# MySpace MySydney

The global youth travel market is growing fast. In 2008–09 more than one million young people visiting New South Wales from overseas spent \$8.4 billion, which represented 53 per cent of the State's total international visitor expenditure for the year.

Recognising that one of the best ways to reach young people is through social media, Tourism NSW created an online community on MySpace called MySpace MySydney to encourage more young people from the United States to visit Sydney and New South Wales for a working holiday or educational purposes. The campaign ran from October to December 2008.

Eight MySpace MySydney video vignettes were produced featuring Sydneysiders, working holiday-makers and students talking about Sydney. The targeted content was specifically prepared and presented by youth, for youth, to enhance the site's relevance and credibility.

The campaign proved successful in engaging a young, college-educated audience, with the site recording over 32,000 views and an average on-site time of over three minutes.

MySpace MySydney gave users the ability to search and apply for jobs, book flights and accommodation and book tickets to events in addition to linking through to the Tourism NSW consumer site [www.sydney.com](http://www.sydney.com). The micro site recorded close to 19,000 views in the campaign period and 4500 job searches.

The strategy to drive traffic to the MySydney site was heavily weighted towards MySpace. Search engine marketing, Facebook advertising, YouTube video, Flickr photos and Typepad blogs were also utilised. Excellent credibility was garnered by using Lindsey Pollack, a Gen-Y careers adviser, to promote the campaign in her blogs and speaking engagements.

Tourism NSW will continue to use social media for ongoing youth-oriented campaigns.

## Support science, research and innovation

**\$30**  
MILLION IN GRANTS TO 131  
ORGANISATIONS TO ASSIST  
SCIENCE AND MEDICAL  
RESEARCH PROJECTS

**\$4**  
MILLION IN NEW SCIENCE LEVERAGING FUND  
COMMITMENTS HELPED ATTRACT  
\$29 MILLION IN COMMONWEALTH  
GRANTS TO NSW

### Nature and scope of activities

The department serves as the secretariat to the Innovation Council and works to improve innovation in a number of key industry sectors in New South Wales. It provides briefings, issues papers and reports to the Innovation Council and carries forward its recommendations to government.

Through the NSW Office for Science and Medical Research (OSMR), the department aims to build the State's knowledge base to respond to the challenges and opportunities within the research sector; promote national and international collaboration in science and medical research in New South Wales; attract increased investment; create strong linkages between the higher education sector, business and the community; and continuously identify new areas of science and medical research relevant to New South Wales.

The department provides financial assistance and advice to government on research programs and infrastructure (including capital grants) to increase New South Wales' competitiveness in national and international scientific and medical research.

### Achievements

#### NSW CHIEF SCIENTIST AND SCIENTIFIC ENGINEER APPOINTED

In October 2008 the Premier announced the appointment of Professor Mary O'Kane as New South Wales' first Chief Scientist and Scientific Engineer. The priorities of the role are to lift the NSW research effort; lead a discussion on attracting more maths and science teachers to schools; develop a stronger relationship between government, universities and business; and advise the NSW Government on major public policy issues such as climate change, genetically modified foods and nanotechnology. The NSW Chief Scientist and Scientific Engineer received administrative support from the department.

#### Growth in high potential sectors promoted

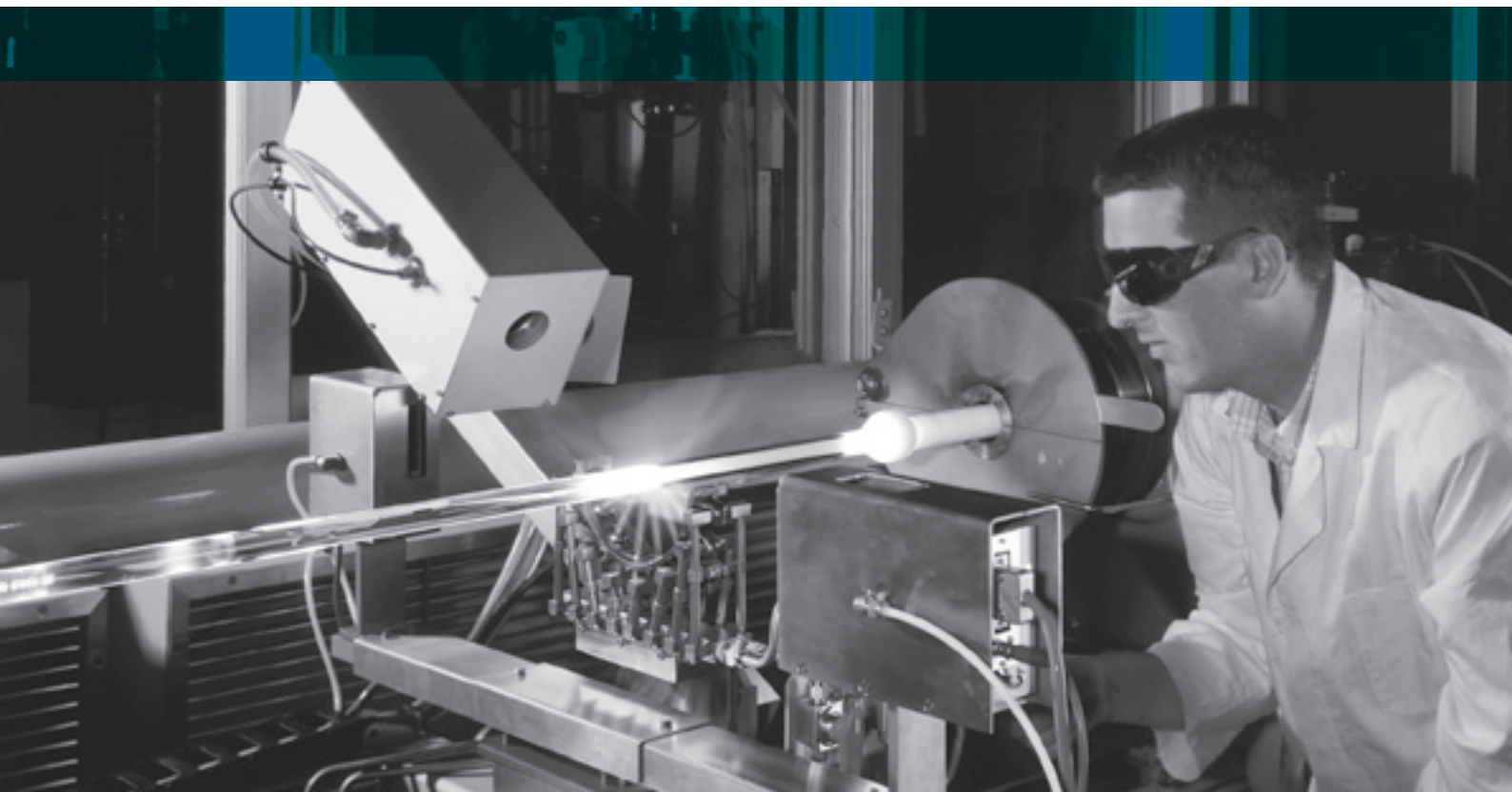
##### POLICY AND RESEARCH

The department provided input into a range of government inquiries and reviews as follows:

- **Nanotechnology.** The department coordinated the development of the NSW Government's response to the NSW Parliamentary Inquiry

into Nanotechnology, which examined issues such as the health, safety and environmental risks and benefits of nanotechnology and the appropriateness of the current regulatory frameworks for managing nanomaterials over their life-cycle

- **Best practice governance for medical research institutes.** In May 2009 the department commissioned a review by Professor Ken Wiltshire to provide advice on best practice governance arrangements for securing strong integration of research and clinical practice; rapid translation of research into practice; commitment, funding and long-term relevance to the community and business; and strategic management of research projects and finances
- **Insurance and indemnity study.** The department commissioned a study in response to severe hardening of the insurance market and the difficulties of NSW researchers in obtaining satisfactory insurance cover for their human research activities, particularly malpractice insurance.



#### RESEARCH PARTNERSHIP PROGRAM ESTABLISHMENT

The department, in conjunction with the NSW Chief Scientist and Scientific Engineer, developed the Research Partnership Program, an annual initiative that brings together NSW government agencies, the State's universities, public research organisations and companies to address research questions of priority to the NSW Government. The partnerships put together through this exercise will form the basis of funding bids under various Commonwealth and international research programs.

#### SYDNEY CARBON MARKET TASKFORCE

The 2008 McKinsey report on the financial services industries, managed by the department, identified the need to position Sydney as the key carbon trading hub in Australia through the establishment of a Sydney Carbon Market Taskforce and the development and implementation of the *Sydney Carbon Market Action Plan*. As co-secretariat to the taskforce, the department coordinated activities to progress actions in the plan.

#### Promoting NSW innovation INFORMATION AND COMMUNICATIONS TECHNOLOGY

The department signed a three-year agreement to sponsor CeBIT Australia through to 2011. CeBIT is Australasia's leading ICT trade event. Exhibition space was provided at CeBIT 2009 to 18 small businesses with innovative technology which reported anticipated sales of over \$4.6 million as a result of their participation, an increase of 31 per cent over the previous year.

The department supported the growth of the Western Sydney IT Cluster (WSITC) to a membership of 348 companies, a number of which exhibited at CeBIT 2009, and organised 11 hot topic forums addressing industry development issues such as skills shortages and environmental sustainability.

A review of the WSITC commissioned by the University of Western Sydney found participant companies had experienced sustainable growth, estimating that more than 150 new jobs were added by WSITC firms over the last five years. The review found increased export participation, with a number of firms

becoming global leaders in their niche markets, and also identified clear evidence of market-driven innovation, with many member firms having formally protected intellectual property.

The department continued its support for the Embedded Systems Australia Cluster in partnership with National ICT Australia (NICTA) and the Warren Centre for Advanced Engineering. The cluster published an *Industry and Research Capability Directory* co-sponsored by Microsoft Australia and continued to seek a collaborative commercial project in New South Wales in dedicated short-range communications for advanced wireless communications between road vehicles and road infrastructure. Recognising the difficult economic situation, the department extended the timeframe in which the project can attract industry partners.

#### AUSTRALIAN TECHNOLOGY SHOWCASE (ATS)

The ATS assists NSW SMEs through promotion, networking, capability building and export assistance to commercialise innovative technologies in local and international markets.



# \$1.4 MILLION to establish the tech voucher program to grow research and development collaborations between SMEs and research sector organisation state universities

In 2008–09 the ATS produced profiles of 216 innovative companies in the financial services, digital media, security and environmental sectors. Twenty-five innovative technologies were admitted to the Australian Technology Showcase and 51 companies were supported to exhibit at a range of events including Security 08, G'day USA and G'Day UK, Stanford Digital Media and CeBIT.

ATS assisted 38 companies to undertake market visits, generating \$32.3 million in export sales (more detail is also provided under KRA 2). In 2008–09 the ATS supported the creation of 246 jobs.

## DEVELOPMENT OF THE NSW REGIONAL INNOVATION STRATEGY

The department developed the NSW Regional Innovation Strategy which was based on extensive research, consultations with industry players and experts and informed by five case studies. The research identified the main pressures encouraging innovative activity in regional NSW businesses, the main blockages in the innovation process and remedial actions the NSW Government can undertake. The strategy identifies opportunities for regional businesses to take up in order to enhance their long-term sustainability. There are two components:

- a set of recommendations to build the innovative capacity of regional businesses
- Regional Business Innovation Plans for medium-term capacity-building, which will be integrated into each region's Regional Business Growth Plan.

The department is currently implementing both components of the strategy.

## Support for science and medical research

\$17 million in infrastructure support was provided to NSW medical research institutes. Funding provided in this year brought the Government's total *Medical Research Support Program* support over three years to June 2009 to \$64 million, an average of \$21 million per annum

The *NSW Medical Research Support Program* provides critical infrastructure support on a competitive basis to underpin research activities in the NSW health and medical research sector. The program helps meet operational costs that are not covered by research project grants, such as salary support and laboratory equipment.

Other support for medical research in 2008–09 included:

- \$5 million in capital support for the Illawarra Health and Medical Research Institute. The institute will be an important focal point for medical research in the Illawarra region, with research expertise in cancer, health ageing, neuroscience, mental health and other conditions
- \$1.315 million in infrastructure support to Westmead and Royal Prince Alfred hospitals for the acquisition and maintenance of current good manufacturing standards and compliance facilities. The funding will enable these facilities to provide clinical-trial-grade cell therapy products in Australia that are suitable for human use
- \$600,000 for the *China-NSW Collaborative Research Program*. The NSW Government signed an agreement with the Chinese Ministry of Science and Technology to collaborate on scientific research projects, including the modern development of traditional Chinese medicine. The partners committed matching funds. Projects funded in the first round were in the areas of the proteomics of cancer, biomarkers in heart disease and stroke
- ongoing commitments such as the Life Sciences Awards, Spinal Exchange Program, Australia New Zealand Spinal Cord Injury Network, Population Health Research Network, Cardiovascular Research Network, Stem Cell Network and Clinical Trials Business Development Centre (Clinical Trials NSW) and industry research and development.

Support for the broader sciences through the *NSW Science Leveraging Fund* for scientific research and infrastructure projects in 2008–09 included:

- establishment of the \$1.4 million TechVoucher program, enabling eligible small to medium-sized enterprises to access vouchers of up to \$15,000, which are redeemable, subject to certain conditions, on technical and research services from NSW public research organisations
- \$989,000 to the Groundwater Australian Research Council (ARC) Centre of Excellence to support research and education initiatives involving several NSW partners, including the University of New South Wales, University of Technology, Sydney and Charles Sturt University
- ongoing funding of \$922,400 to ARC Centres of Excellence through existing agreements
- ongoing State co-funding of \$870,000 to NSW research consortia that are successful in securing Commonwealth funding under the CRC and Defence Future Capability Technology Centre programs
- \$600,000 in research funding to the Sydney Institute of Marine Science to support research that will improve the marine environment of Sydney Harbour and the NSW coastline. As described in the case study later in this chapter, NSW funding leveraged an additional \$19 million in Commonwealth funds
- \$402,000 to enhance the National Imaging Facilities at the University of Sydney and the University of Western Sydney. This funding, matched in total by the two universities, enabled these facilities to secure matched funding for key bio-imaging infrastructure under the Commonwealth's National Collaborative Research Infrastructure Strategy, including an enhanced radioisotope custom-labelling facility and a specialised imaging probe
- 11 CRC Bid Support Grants (of between \$15,000 and \$30,000 per grant) to assist NSW research consortia to develop competitive bids and maximise their ability to secure funding under the Commonwealth's 2009 Cooperative Research Centres (CRC) Program.

## \$5 million in capital support for the Illawarra Health and Medical Research Institute. The institute will be an important focal point for medical research in the Illawarra region, with research expertise in cancer, health ageing, neuroscience, mental health and other conditions.

Since 2006 the NSW Government has committed \$32 million from the NSW Science Leveraging Fund (SLF) to NSW research consortia to attract funding under Commonwealth programs, including the National Collaborative Research Infrastructure Strategy and the Cooperative Research Centres and ARC Centres of Excellence programs. This SLF support has resulted in investment of over \$60 million in research, development and related education capacity in New South Wales, including over \$215 million funding from the Commonwealth and further funding and in-kind investment from partners in excess of \$390 million.

The University of Wollongong's Intelligent Polymer Research Institute was awarded the first NSW grant under the NSW-Gangwon Technology Collaboration Program. The Intelligent Polymer Research Institute and researchers from Kangnung University in Korea's Gangwon province will use nanotechnology to develop a new high-performance energy storage device.

The department worked with the Chief Scientist and Scientific Engineer to establish the NSW Knowledge Fund, which will provide a mechanism for the NSW government to invest in research and education initiatives in the higher education and research sector. The department will provide on-going secretariat support to the NSW Knowledge Fund Advisory Panel and the Government/University Lands Steering Committee.

The department also worked with the NSW Chief Scientist and Scientific Engineer to assist NSW organisations in developing funding bids under the Education Investment Fund, and coordinated analyses by NSW government agencies of NSW bids submitted under Round 2 of the Education Investment Fund.

### BIOBUSINESS PROOF OF CONCEPT

The *BioBusiness Proof of Concept Grant* Program helps NSW life science companies take projects from research to early stage commercialisation. Ten projects were supported in the 2008–09 funding round, including Minomic's diagnostic test for prostate cancer and Elastagen's synthetic injectable elastin for a range of cosmetic and surgical applications. A review of the program was initiated in late 2008–09.

### Communication and support for science careers

The department, through OSMR, led a number of initiatives to strengthen scientific knowledge, expertise and information-sharing within the State, including targeted programs to promote the value and importance of science and science careers, and reward contributions made by the State's leading scientists. This included support for:

- the **Young Tall Poppy Science Awards 2008**, which recognise outstanding young researchers across all fields of science and engage them in the promotion of science and innovation in schools and the broader community. There were 13 Young Tall Poppies named from New South Wales and the Australian Capital Territory
- **Science EXPOsed 2008**, an annual event designed to raise awareness among high school students of the various career opportunities that science can offer. In 2008 this event attracted more than 1800 students from 55 NSW high schools to science shows, workshops, panel discussions and an expo
- the **NSW Scientist of the Year Awards 2008**, which provided \$85,000 in prize money for research that has generated economic, health, environmental or technological benefits for New South Wales. The overall NSW Scientist of the Year was Professor Martin Green, an expert in photovoltaics from the University of New South Wales.

### BIOFIRST COMMERCIALISATION AWARDS

The department conducted the annual *BioFirst Commercialisation Awards* in July 2008, attended by almost 200 members of the NSW life science business and research communities, investors and media. The 2008 winner, Special Phage Holdings of Brookvale, has developed an innovative medical treatment for antibiotic-resistant infections and has successfully used its technology to treat a patient suffering a multi-resistant bacterial infection in a trial at a major Sydney teaching hospital.



## CASE STUDY

# Sydney Institute of Marine Science

In February 2009 a \$600,000 grant from the NSW Government's Science Leveraging Fund (SLF) was awarded to the Sydney Institute of Marine Science, a collaboration of four NSW universities (Macquarie University, the University of New South Wales, University of Technology, Sydney and the University of Sydney).

The institute brings together cross-disciplinary research teams on projects to improve the marine environment of Sydney Harbour and the NSW coastline.

The money provided by the SLF also attracted the philanthropic support of the Ian Potter Foundation, which provided an additional \$600,000 in grant money, together with \$600,000 from the institute's university partners.

These significant investments from the NSW Government, philanthropy and university sources formed the kernel of a bid for Commonwealth funding under the Education Investment Fund.

As announced in the 2009–10 Federal Budget the institute's bid was successful in attracting an additional \$19.5 million from the Commonwealth for important research infrastructure. The infrastructure will include a marine research aquarium, laboratories, research vessels, mobile radar equipment and sophisticated telecommunication equipment to monitor the Sydney and NSW marine environment.

Image used: Courtesy Sydney Institute of Marine Science



## Interagency cooperation

### NSW SCIENCE AGENCIES GROUP

The NSW Science Agencies Group provides cross-government communication and coordination on NSW agencies' science activities, priorities, investment and mechanisms so as to better access Commonwealth funding programs. The department, through OSMR, coordinates the group and acts as its secretariat. To date, the group has provided critical advice on establishing the NSW Chief Scientist and Scientific Engineer position and the Research Partnerships Program priority areas.

### COOPERATIVE MECHANISMS

The department continued its work with the Commonwealth and Australian states and territories through mechanisms including the:

- Australian Chief Scientist
- Biodiscovery Working Group, coordinating the development of a NSW position on biodiscovery and benefit-sharing in line with Commonwealth, state and territory policy developments

- Commonwealth States and Territories Advisory Committee on Innovation
- Nanotechnology States and Territories Committee
- NCRIS (National Collaborative Research Infrastructure Strategy) States and Territories Officials Committee
- CSIRO and ANSTO.

### NICTA

Australia's ICT Research Centre of Excellence (NICTA), which the NSW Government part-funds, attracted further funding from the Commonwealth of \$185.5 million over the four years from mid 2011 to mid 2015. With NICTA headquarters in New South Wales, this support will attract further industry funding for leading-edge ICT research work in New South Wales.



# Corporate environment

## Performance and governance

The performance and governance activities encompass the corporate governance framework, risk management, fraud control, external and internal performance reporting and support for business and strategic planning. Activities also include program reviews and associated initiatives that provide measurable business improvement and quality assurance outcomes for the department. Support is also provided to the department's Audit and Review Committee.

Major achievements during the reporting year included the review, update and publication of the following policies and guidelines:

- guarantee of service
- personal effects policy
- interpreter and translations guidelines
- Code of conduct
- Aboriginal cultural protocols and practices policy.

The electronic register for staff to record the receipt of gifts and benefits continued to be managed and continued staff training in the policies of conflict of interest and gifts and benefits was conducted.

The department updated the annual *Results and Services Plan*, which incorporates a results logic providing a line of sight for performance management by setting out linkages between government priorities (including NSW State Plan priorities), the results that the department is working towards, the services it delivers to contribute to those results and the cost of delivering those services as reflected in the department's budget.

The department conducts an annual client survey of small and medium-sized enterprises, investment organisations, Office for Science and Medical Research (OSMR) and Tourism NSW clients. The overall satisfaction with assistance provided by the department was a high 86 per cent while satisfaction with the knowledge and service of the department's staff was even higher at 88 per cent.

A department-wide, three-year corporate strategy was also commenced in alignment with the new organisational structure.

## Human resources

The department endeavours to attract and retain staff who have the skills and capabilities to deliver on its strategic objectives. Human resources staff worked with all operational areas of the department to deliver strategies which brand the department as 'an employer of choice'. Programs were delivered to maintain and enhance staff capabilities and knowledge; educate staff and management in and promote compliance with health and safety best practice; support organisational change and development; promote constructive and effective workplace relations and an equitable workplace and deliver responsive services.

The department's commitment to staff development is reflected in the comprehensive induction program, extensive internal learning and development program, access to relevant external programs and a study assistance scheme. Training activities included the introduction of new internal learning programs in ministerial writing, procurement, safety, planning, change management and writing skills. Short programs and information sessions designed to educate staff on the business and technical aspects of the department's operations were conducted, as were information sessions on employee-related topics such as superannuation and flexible work arrangements. Leading government and industry speakers addressed the *Young Professionals Breakfast Forums* and the *Management Development Program*, in which 16 staff participated. Sixteen staff were assisted to undertake external studies through the department's study assistance policy.

As part of the department's workforce strategy, the *Graduate Program* continued, with an intake of three graduates in February 2009. Two graduates from the previous year have won permanent positions with the department. The program is the key to developing long-term capability by providing a pool of talented young people to refresh the department's skill set and provide future leadership talent.

The department's annual staff awards ceremony recognised one individual and three teams for their outstanding achievements in the areas of customer service, cultural awareness, communication and teamwork, planning and risk management, improving organisational performance, client services and corporate values.

## Information management services

Information exchange, knowledge management and the communication of ideas are core functions and capabilities of the department. The department maintained critical infrastructure — record management, websites, databases, the intranet, information research services and the computer network used across all divisions of the agency — to help ensure optimum organisational performance.

Over 565 workstations plus associated printers and over 38 network servers and associated equipment and software systems are supported in 20 physical locations across the State. Several sites moved and two were provided with higher bandwidth.

Network services and desktop support are contracted-out to Service First from 1 July 2008 and Uecomm (a division of Optus), with whom a close daily relationship is maintained.



The *Information Management and Technology Strategic Plan* and records management documentation were updated. These formal practices support the department's goal to maintain a robust, integrated, secure and best practice information management environment.

The department maintains two internally-supported web hosting environments and 34 websites (listed in Appendix 13).

The department maintains a number of databases to enhance staff productivity and support program management. Central to these are the corporate client database, known as Search Your Data (SYD), which records client details, project assistance and other interactions, as well as the human resources and telephone database, which records staff details, positions, functions and reporting lines. The corporate database was further enhanced and work continued on integrating two older customer relationship management systems and eight other data sources into SYD. In addition, five other specialist databases were supported by the unit.

### Finance, administration and legal

The department's financial responsibilities include financial and budgetary management, preparation and review of financial statements, reporting requirements, strategic financial advice and the management of the department's outsourced financial services. Property and administration services, which include lease negotiation and property management of the department's various sites and procurement policy, were also managed by the unit.

During the year there were several significant developments that enhanced the existing policies, procedures and service delivery. These projects were:

- review and revision of the department's disclosure of financial information in the budget, including the Result Indicators, Service Group Statements and related Service Measures
- development a new Chart of Accounts to reflect the activities of the restructured department
- review and update of the department's financial delegations
- relocation of staff within the department's CBD offices following the divisional restructure
- continued provision of strategic procurement advice on a range of procurement activities
- development of procurement templates to enhance compliance requirements and to reduce the time it takes to prepare tender documents
- development of a register of contracts for goods and services.

The department's legal staff provide legal advice and representation to the department's divisions and advice to the executive management team on contractual, commercial and administrative law issues.



Department of State  
and Regional Development

# financial statements

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# Independent Auditor's Report

FOR THE YEAR ENDED 30TH JUNE 2009



GPO BOX 12  
Sydney NSW 2034

## INDEPENDENT AUDITOR'S REPORT

Department of State and Regional Development

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Department of State and Regional Development (the Department), which comprises the balance sheet as at 30 June 2009, the operating statement, statement of recognised income and expense, cash flow statement, service group statements and a summary of compliance with financial directives for the year then ended, a summary of significant accounting policies and other explanatory notes.

### Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Department as at 30 June 2009, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations);
- is in accordance with section 45E of the Public Finance and Audit Act 1983 (the PF&A Act) and the Public Finance and Audit Regulation 2005.

My opinion should be read in conjunction with the rest of this report.

### Department Head's Responsibility for the Financial Report

The Department Head is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Department's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Department Head, as well as evaluating the overall presentation of the financial report.

believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

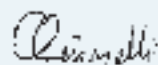
My opinion does not provide assurance:

- about the future viability of the Department,
- that it has carried out its activities effectively, efficiently and economically,
- about the effectiveness of its internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial report.

#### Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



G J Glumelli  
Director, Financial Audit Services

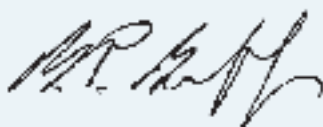
20 October 2009  
SYDNEY

## Statement by the Director General

### STATEMENT BY THE DIRECTOR-GENERAL OF THE DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

Pursuant to section 45F of the Public Finance and Audit Act 1983, I state to the best of my knowledge and belief:

- a) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the Public Finance and Audit (General) Regulation (as applicable) and Treasurer's Directions;
- b) the Financial Statements exhibit a true and fair view of the financial position of the Department of State and Regional Development as at 30 June, 2009 and for the operations for the year then ended;
- c) there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



**B. D. BUFFIER**  
A/DIRECTOR-GENERAL



# Operating statement

FOR THE YEAR ENDED 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>Expenses excluding losses</b>				
Operating expenses				
Employee related	2(a)	47,323	48,978	44,672
Other operating expenses	2(b)	23,298	18,826	23,137
Depreciation and amortisation	2(c)	1,847	1,393	1,710
Grants and subsidies	2(d)	62,254	59,794	54,687
Other expenses	2(e)	59,838	46,245	50,250
<b>Total expenses excluding losses</b>		<b>194,560</b>	<b>175,236</b>	<b>174,456</b>
<b>Revenue</b>				
Sale of goods and services	3(a)	260	635	605
Investment revenue	3(b)	883	2,818	809
Grants and contributions	3(c)	6,033	6,350	7,791
Other revenue	3(d)	3,873	400	3,841
<b>Total revenue</b>		<b>11,049</b>	<b>10,203</b>	<b>13,046</b>
<b>Gain/(loss) on disposal</b>	4	<b>(22)</b>	–	(75)
<b>Other gains/(losses)</b>	5	<b>(199)</b>	–	(411)
<b>Net Cost of Services</b>	22	<b>(183,732)</b>	<b>(165,033)</b>	<b>(161,896)</b>
<b>Government contributions</b>				
Recurrent appropriation	6	176,061	160,102	160,423
Capital appropriation	6	1,074	1,074	413
Acceptance by the Crown Entity of employee benefits and other liabilities	7	2,429	3,726	1,856
<b>Total Government contributions</b>		<b>179,564</b>	<b>164,902</b>	<b>162,692</b>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		<b>(4,168)</b>	<b>(131)</b>	<b>796</b>

The accompanying notes form part of these financial statements

## Statement of recognised income and expense

FOR THE YEAR ENDED 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY</b>				
Surplus / (Deficit) for the year		<b>(4,168)</b>	(131)	796
<b>TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR</b>	18	<b>(4,168)</b>	(131)	796
		<b>(4,168)</b>	(131)	796

The accompanying notes form part of these financial statements

## Balance sheet

AS AT 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	10	20,832	26,249	26,103
Receivables	11	9,214	8,833	8,837
Non current assets held for sale	14	–	44	44
<b>Total current assets</b>		<b>30,046</b>	35,126	34,984
<b>Non current assets</b>				
Property plant and equipment				
– Plant and Equipment	12	4,710	5,485	5,667
Intangible assets	13	850	505	642
<b>Total non current assets</b>		<b>5,560</b>	5,990	6,309
<b>Total assets</b>		<b>35,606</b>	41,116	41,293
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	15	5,442	7,538	7,685
Provisions	16	5,182	4,687	4,588
Other	17	539	254	254
<b>Total current liabilities</b>		<b>11,163</b>	12,479	12,527
<b>Non current liabilities</b>				
Provisions	16	967	957	955
Other	17	306	473	473
<b>Total non current liabilities</b>		<b>1,273</b>	1,430	1,428
<b>Total liabilities</b>		<b>12,436</b>	13,909	13,955
<b>Net assets</b>		<b>23,170</b>	27,207	27,338
<b>EQUITY</b>				
Accumulated funds	18	23,170	27,207	27,338
<b>Total Equity</b>		<b>23,170</b>	27,207	27,338

The accompanying notes form part of these financial statements.



## Cash flow statement

FOR THE YEAR ENDED 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Payments</b>				
Employee related		(44,402)	(45,073)	(42,635)
Grants and subsidies		(62,254)	(63,594)	(73,228)
Other		(99,036)	(69,406)	(64,270)
<b>Total Payments</b>		<b>(205,692)</b>	<b>(178,073)</b>	<b>(180,133)</b>
<b>Receipts</b>				
Sale of goods and services		1,090	635	2,100
Interest received		957	2,818	1,213
Other		22,359	14,664	21,139
<b>Total Receipts</b>		<b>24,406</b>	<b>18,117</b>	<b>24,452</b>
<b>Cash Flows From Government</b>				
Recurrent appropriation	6	176,061	160,102	160,423
Capital appropriation (excluding equity appropriations)	6	1,074	1,074	413
<b>Net Cash Flows From Government</b>		<b>177,135</b>	<b>161,176</b>	<b>160,836</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	22	<b>(4,151)</b>	<b>1,220</b>	<b>5,155</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of Plant and Equipment		2	–	3
Purchases of Plant and Equipment and Intangibles		(1,122)	(1,074)	(927)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(1,120)</b>	<b>(1,074)</b>	<b>(924)</b>
<b>NET INCREASE / (DECREASE) IN CASH</b>				
Opening cash and cash equivalents		26,103	26,103	21,872
Cash transferred in (out) as a result of administrative restructuring		–	–	–
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	10	<b>20,832</b>	<b>26,249</b>	<b>26,103</b>

The accompanying notes form part of these financial statements.

# Supplementary financial statements

SERVICE GROUP STATEMENTS\* FOR THE YEAR ENDED 30 JUNE 2009

	Service Group 49.1 State Development**		Service Group 49.2 Regional Development**		Service Group 49.3 Small Business**		Service Group 49.4 Science and Medical Research**		Service Group 49.5 Tourism**		Not Attributable****		Total	
	2009	2008***	2009	2008***	2009	2008***	2009	2008***	2009	2008***	2009	2008***	2009	2008***
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>AGENCY'S EXPENSES AND REVENUES</b>														
<b>Expenses excluding losses</b>														
<b>Operating expenses</b>														
Employee related														
• Employee related	16,502	14,369	9,265	8,368	6,473	6,068	2,396	2,090	12,687	13,777	-	-	47,323	44,672
• Total operating expenses	10,979	11,631	3,832	3,844	3,003	2,760	1,163	953	4,321	3,949	-	-	23,298	23,137
Depreciation and amortisation	1,507	1,319	73	76	95	48	39	68	133	199	-	-	1,847	1,710
Grants and subsidies	7,082	6,611	15,433	7,581	-	-	35,244	36,535	4,495	3,960	-	-	62,254	54,687
Other expenses	9,506	3,989	15,687	11,412	8,064	7,378	678	1,176	25,903	26,295	-	-	59,838	50,250
<b>Total expenses excluding losses</b>	<b>45,576</b>	<b>37,919</b>	<b>44,290</b>	<b>31,281</b>	<b>17,635</b>	<b>16,254</b>	<b>39,520</b>	<b>40,822</b>	<b>47,539</b>	<b>48,180</b>	<b>-</b>	<b>-</b>	<b>194,560</b>	<b>174,456</b>
<b>Revenue</b>														
Sale of goods and services	151	100	12	44	53	51	-	-	44	410	-	-	260	605
Investment revenue	236	216	234	215	276	253	42	38	95	87	-	-	883	809
Grants and contributions	123	357	-	-	963	785	-	56	4,947	6,593	-	-	6,033	7,791
Other revenue	336	297	158	110	1,690	1,197	-	45	1,689	2,192	-	-	3,873	3,841
<b>Total Revenue</b>	<b>846</b>	<b>970</b>	<b>404</b>	<b>369</b>	<b>2,982</b>	<b>2,286</b>	<b>42</b>	<b>139</b>	<b>6,775</b>	<b>9,282</b>	<b>-</b>	<b>-</b>	<b>11,049</b>	<b>13,046</b>
Gain / (loss) on disposal	(5)	(75)	(9)	-	(6)	-	-	-	(2)	-	-	-	(22)	(75)
Other gains / (losses)	(71)	(411)	8	-	(70)	-	-	-	(66)	-	-	-	(199)	(411)
<b>Net Cost of Services</b>	<b>44,806</b>	<b>37,435</b>	<b>43,887</b>	<b>30,912</b>	<b>14,729</b>	<b>13,968</b>	<b>39,478</b>	<b>40,683</b>	<b>40,832</b>	<b>38,898</b>	<b>-</b>	<b>-</b>	<b>183,732</b>	<b>161,896</b>
Government contributions****														
<b>NET EXPENDITURE/ (REVENUE) FOR THE YEAR</b>	<b>44,806</b>	<b>37,435</b>	<b>43,887</b>	<b>30,912</b>	<b>14,729</b>	<b>13,968</b>	<b>39,478</b>	<b>40,683</b>	<b>40,832</b>	<b>38,898</b>	<b>179,564</b>	<b>162,692</b>	<b>179,564</b>	<b>162,692</b>
											<b>(179,564)</b>	<b>(162,692)</b>	<b>4,168</b>	<b>(796)</b>

\* NSW Budget Paper No. 3 has replaced program statements with service group statements. Service group statements focus on the key measures of service delivery performance.

\*\* The names and purposes of each service group are summarised in Note 9.

\*\*\* Comparative amounts have been reclassified to align with the change in focus from programs to service groups.

\*\*\*\* Appropriations are made on an agency basis and not to individual service groups. Consequently, government contributions must be included in the 'Not Attributable' column.

The accompanying notes form part of these financial statements.

# Supplementary financial statements

SERVICE GROUP STATEMENTS\* FOR THE YEAR ENDED 30 JUNE 2009

	Service Group 49.1 State		Service Group 49.2 Regional		Service Group 49.3 Small Business**		Service Group 49.4 Science and Medical Research**		Service Group 49.5 Tourism**		Not Attributable****		Total	
	Development**		Development**		Development**		Development**		Development**		Development**		Development**	
	2009 \$'000	2008*** \$'000	2009 \$'000	2008*** \$'000	2009 \$'000	2008*** \$'000	2009 \$'000	2008*** \$'000	2009 \$'000	2008*** \$'000	2009 \$'000	2008*** \$'000	2009 \$'000	2008*** \$'000
<b>AGENCY'S ASSETS AND LIABILITIES</b>														
<b>Current Assets</b>														
Cash and cash equivalents	–	–	–	–	–	–	–	–	–	–	20,832	26,103	20,832	26,103
Receivables	655	685	127	288	1,043	1,058	26	71	1,435	1,997	5,928	4,738	9,214	8,837
Non current assets held for sale	–	–	–	–	–	–	–	–	–	44	–	–	–	44
Total current assets	655	685	127	288	1,043	1,058	26	71	1,435	2,041	26,760	30,841	30,046	34,984
<b>Non current Assets</b>														
Property plant and equipment	3,562	4,495	173	241	212	248	36	75	727	608	–	–	4,710	5,667
Intangible assets	568	584	–	–	255	18	–	–	27	40	–	–	850	642
Total non current assets	4,130	5,079	173	241	467	266	36	75	754	648	–	–	5,560	6,309
<b>TOTAL ASSETS</b>	<b>4,785</b>	<b>5,764</b>	<b>300</b>	<b>529</b>	<b>1,510</b>	<b>1,324</b>	<b>62</b>	<b>146</b>	<b>2,189</b>	<b>2,689</b>	<b>26,760</b>	<b>30,841</b>	<b>35,606</b>	<b>41,293</b>
<b>Current liabilities</b>														
Current Liabilities – Payable	1,988	2,513	2,012	2,455	225	275	391	980	826	1,462	–	–	5,442	7,685
Provisions	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other current liabilities	1,987	1,759	1,152	1,020	560	496	307	272	1,176	1,041	–	–	5,182	4,588
Total current liabilities	167	160	–	–	–	–	–	21	372	73	–	–	539	254
<b>TOTAL LIABILITIES</b>	<b>4,142</b>	<b>4,432</b>	<b>3,164</b>	<b>3,475</b>	<b>785</b>	<b>771</b>	<b>698</b>	<b>1,273</b>	<b>2,374</b>	<b>2,576</b>	<b>–</b>	<b>–</b>	<b>11,163</b>	<b>12,527</b>
<b>Non current liabilities</b>														
Provisions	17	13	577	574	5	3	3	2	365	363	–	–	967	955
Other non current liabilities	255	401	–	–	–	–	–	–	51	72	–	–	306	473
Total non current liabilities	272	414	577	574	5	3	3	2	416	435	–	–	1,273	1,428
<b>TOTAL LIABILITIES</b>	<b>4,414</b>	<b>4,846</b>	<b>3,741</b>	<b>4,049</b>	<b>790</b>	<b>774</b>	<b>701</b>	<b>1,275</b>	<b>2,790</b>	<b>3,011</b>	<b>–</b>	<b>–</b>	<b>12,436</b>	<b>13,955</b>
<b>NET ASSETS</b>	<b>371</b>	<b>918</b>	<b>(3,441)</b>	<b>(3,520)</b>	<b>720</b>	<b>550</b>	<b>(639)</b>	<b>(1,129)</b>	<b>(601)</b>	<b>(322)</b>	<b>26,760</b>	<b>30,841</b>	<b>23,170</b>	<b>27,338</b>

\* NSW Budget Paper No. 3 has replaced program statements with service group statements. Service group statements focus on the key measures of service delivery performance.

\*\* The names and purposes of each service group are summarised in Note 9.

\*\*\* Comparative amounts have been reclassified to align with the change in focus from programs to service groups.

\*\*\*\* Appropriations are made on an agency basis and not to individual service groups. Consequently, government contributions must be included in the 'Not Attributable' column.

The accompanying notes form part of these financial statements.



## Summary of compliance with financial directives

	2009				2008			
	Recurrent Appropriation \$'000	Expenditure/ Net Claim on Consolidated Fund \$'000	Capital Appropriation \$'000	Expenditure/ Net Claim on Consolidated Fund \$'000	Recurrent Appropriation \$'000	Expenditure/ Net Claim on Consolidated Fund \$'000	Capital Appropriation \$'000	Expenditure/ Net Claim on Consolidated Fund \$'000
<b>ORIGINAL BUDGET APPROPRIATION / EXPENDITURE</b>								
Appropriation Act	170,752	170,752	1,074	1,074	167,713	151,296	413	413
Additional Appropriations	-	-	-	-	-	-	-	-
s 21A PF&AA – special appropriation	-	-	-	-	-	-	-	-
s 26 PF&AA – Commonwealth specific purpose payments	-	-	-	-	-	-	-	-
	170,752	170,752	1,074	1,074	167,713	151,296	413	413
<b>OTHER APPROPRIATIONS / EXPENDITURE</b>								
Treasurer's Advance	10,275	8,737	-	-	9,800	9,800	-	-
Section 22 – expenditure for certain works and services	-	-	-	-	300	-	-	-
Transfers to / from another agency (s24 of the Appropriation Act)	-	-	-	-	176	176	-	-
Transfers to / from another agency (s31 of the Appropriation Act)	14,303	7,278	-	-	(10,058)	-	-	-
	24,578	16,015	-	-	218	9,976	-	-
<b>Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)</b>	195,330	186,767	1,074	1,074	167,931	161,272	413	413
<b>Amount drawn down against Appropriation</b>		186,767		1,074		161,272		413
<b>Liability to Consolidated Fund*</b>		-		-		-		-

The Summary of Compliance is based on the assumption that Consolidated Fund monies are spent first (except where otherwise identified or prescribed).

\* If there is a "Liability to Consolidated Fund", the agency must state this represents the difference between the "Amount drawn against Appropriation" and the "Total Expenditure / Net Claim" on Consolidated Fund".

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2009

## 1 Summary of Significant Accounting Policies

### (a) Reporting entity

The Department of State and Regional Development (hereafter the "Department") is a separate reporting entity. There are no other entities under its control.

The Department is a NSW government department. The Department is a not for profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

The financial report for the year ended 30 June 2009 has been authorised for issue by the Acting Director General, Industry and Investment NSW on 19th October 2009.

### (b) Basis of preparation

The Department's financial report is a general purpose financial report which has been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the *Public Finance and Audit Act 1983* and Regulation;
- the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer.

Property, plant and equipment and financial assets are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial report.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

### (c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

### (d) Administered activities

The Department does not administer any activities on behalf of the Crown Entity.

### (e) Insurance

The Department's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claim experience.

### (f) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except that:

- the amount of GST incurred by the Department as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the cash flow statement on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

### (g) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

### (i) Parliamentary appropriations and contributions

Except as specified below, parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as revenue when the agency obtains control over the assets comprising the appropriations / contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

### (ii) Sale of goods

Revenue from the sale of goods is recognised as revenue when the Department transfers the significant risks and rewards of ownership of the assets.

### (iii) Rendering of services

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

### (iv) Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

### (h) Acquisitions of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Department. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

### (i) Capitalisation thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

### (j) Revaluation of property, plant and equipment

The Department's assets are short lived and it is considered by management that the written down value of its non current assets would approximate their fair value.

**(k) Impairment of property, plant and equipment**

As a not for profit entity with no cash generating units, the Department is effectively exempted from AASB 136 Impairment of Assets and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

**(l) Depreciation of property, plant and equipment**

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Department.

<b>Depreciation Rates</b>	<b>% Rate</b>
<b>Plant &amp; Equipment</b>	
Office furniture and fittings	10.00
Office equipment	14.28
Computer equipment and software	25.00
Leasehold improvement	Over the period of the lease

**(m) Restoration costs**

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

**(n) Maintenance**

Day to day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

**(o) Leased assets**

Operating lease payments are charged to the operating statement in the periods in which they are incurred.

**(p) Intangible assets**

The Department recognises intangible assets only if it is probable that future economic benefits will flow to the

Department and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

The useful lives of intangible assets are assessed to be finite.

As there is no active market for the Department's intangible assets, the assets are carried at cost less any accumulated amortisation.

Intangible assets are subsequently measured at fair value only if there is an active market.

The Department's intangible assets are amortised using the straight line method over a period of 4 years.

In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not for profit entity with no cash generating units, the Department is effectively exempted from impairment testing.

**(q) Loans and receivables**

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the operating statement when impaired, derecognised or through the amortisation process.

Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

**(r) Investments**

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs. The Department determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

- *Fair value through profit or loss* – The Department subsequently measures

investments classified as "held for trading" or designated upon initial recognition "at fair value through profit or loss" at fair value. Financial assets are classified as "held for trading" if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading. Gains or losses on these assets are recognised in the operating statement.

- *Available for sale investments* – Any residual investments that do not fall into any other category are accounted for as available for sale investments and measured at fair value directly in equity until disposed or impaired, at which time the cumulative gain or loss previously recognised in equity is recognised in the operating statement. However, interest calculated using the effective interest method and dividends are recognised in the operating statement.

**(s) Non current assets (or disposal group) held for sale**

The Department has certain non current assets (or disposal groups) classified as held for sale, where their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non current assets (or disposal groups) held for sale are recognised at the lower of carrying amount and fair value less costs to sell. These assets are not depreciated while they are classified as held for sale.

**(t) Trust funds**

The Department receives monies in a trustee capacity for various trusts as set out in Note 23. As the Department performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of the Department's own objectives, these funds are not recognised in the financial statements.

**(u) Payables**

These amounts represent liabilities for goods and services provided to the Department and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

the effective interest method. Short term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

### (v) Employee benefits and other provisions

#### (a) Salaries and wages, annual leave, sick leave and on costs

Liabilities for salaries and wages (including non monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Long term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds of 3.02% are used to discount long term annual leave.

Unused non vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

#### (b) Long service leave and superannuation

The Department's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Department accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non monetary revenue

item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 09/04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

#### (c) Other provisions

Other provisions exist when: the Department has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

#### (w) Grants, subsidies and industry assistance

Payments for grants, subsidies and industry assistance are expensed at the time the Department becomes liable to make the payment. The approval of the grant, subsidy or assistance may cover a number of years, and it is not considered that a liability arises until conditions specified in the approval have been met and a claim for payment has been received. Grants, subsidies and assistance which have been approved but have not been paid or accrued have been included in commitments for expenditure (Refer Note 19).

### (x) Budgeted amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations, s 21A, s 24 and/or s 26 of the *Public Finance and Audit Act 1983*.

The budgeted amounts in the operating statement and the cash flow statement are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the balance sheet, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts; i.e. per the audited financial statements (rather than carried forward estimates).

### (y) New Australian Accounting Standards issued but not effective

At the reporting date, a number of Accounting Standards adopted by the Australian Accounting Standards Board have been issued but are not yet operative and have not been early adopted by the Department. NSW Treasury mandate (TC09/03) precludes early adoption of these accounting standards.

AASB 3 (March 2008), AASB 127 and AASB 2008-3 regarding business combinations

AASB 8 and AASB 2007-3 regarding operating segments

AASB 101 (Sept 2007), AASB 2007-8 and AASB 2007-10 regarding presentation of financial statements

AASB 123 (June 2007) and AASB 2007-6 regarding borrowing costs

AASB 1039 regarding concise financial reports

AASB 2008-1 regarding share based payments

AASB 2008-2 regarding puttable financial instruments

The Department has reviewed the new accounting standards and at this stage does not anticipate any material impact on the figures reported in this financial report.



## 2 Expenses Excluding Losses

	2009 \$'000	2008 \$'000
<b>(a) Employee related expenses</b>		
Salaries and wages (including recreation leave)	39,451	37,868
Superannuation – defined benefit plans	816	822
Superannuation – defined contribution plans	2,381	2,327
Long service leave	1,773	991
Workers' compensation insurance	312	197
Payroll tax and fringe benefit tax	2,527	2,422
Other	15	2
Payroll tax employer's superannuation contribution	48	43
	<b>47,323</b>	<b>44,672</b>
<b>(b) Other operating expenses include the following:</b>		
Auditor's remuneration – audit of the financial reports	105	117
Other expenses	2,785	3,518
Miscellaneous fees	4,668	4,570
Building occupancy charges	7,173	6,514
Staff development	377	385
Publication and advertising costs	1,276	2,278
Telecommunication expenses	850	1,006
Insurance	81	85
Industry networking	13	159
Payments to contractors	744	599
Printing and stationery	534	768
Travel expenses	967	1,100
Motor vehicles expenses	934	778
Consultancies	2,496	1,002
Maintenance	295	258
	<b>23,298</b>	<b>23,137</b>
<i>* Reconciliation – Total maintenance</i>		
Maintenance expense – contracted labour and other (non employee related), as above	295	258
Total maintenance expenses included in Note 2(a) + 2(b)	<b>295</b>	<b>258</b>

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 2 Expenses Excluding Losses (continued)

	2009 \$'000	2008 \$'000
<b>(c) Depreciation and amortisation expense</b>		
Depreciation		
Plant and Equipment	734	735
Total Depreciation	734	735
Amortisation		
Leasehold improvements	913	786
Intangible	200	189
	<b>1,847</b>	1,710
<b>(d) Grants and subsidies</b>		
Industry Capability Network (NSW)	1,482	1,247
Hunter Valley Research Foundation	150	150
Illawarra Regional Information Service	150	150
Hunter Advantage Fund	780	419
Regional Development Boards	1,840	1,690
Katoomba/Echo Point Development	200	365
Illawarra Advantage Fund	1,592	1,386
Science Leveraging Fund	9,973	9,085
ICT Centre For Excellence	5,400	5,000
Science and Medical Research Grants	25,271	27,450
Tourism Grants	4,495	1,633
Major Events	–	2,330
Payroll Tax Incentive Scheme	10,921	3,782
	<b>62,254</b>	54,687
<b>(e) Other expenses</b>		
Small Business Development	7,329	6,603
Biotechnology Initiatives	4,230	4,857
Regional Development Assistance	15,687	11,414
Tourism Industry	25,902	26,295
Australian Technology Showcase	953	1,081
Assistance to Industry	5,737	–
	<b>59,838</b>	50,250

### 3 Revenue

	2009 \$'000	2008 \$'000
<b>(a) Sale of goods and services</b>		
Retail Tenancies Disputes fees	52	51
Commission on sales	2	403
Other	206	151
	<b>260</b>	<b>605</b>
<b>(b) Investment revenue</b>		
Interest revenue from financial assets not at fair value through profit or loss	883	809
	<b>883</b>	<b>809</b>
<b>(c) Grants and contributions</b>		
NSW Budget Sector Entities	30	164
Commonwealth	769	964
Other State Governments	565	–
Local Government	–	73
Other Private Sector	4,669	6,533
Other General Government Agencies	–	57
	<b>6,033</b>	<b>7,791</b>
<b>(d) Other revenue</b>		
Sponsorship	83	3
Recoveries for administering the Retail Leases Act, 1994	1,668	1,169
In kind sponsorship	1,340	1,597
Rental rebate	293	293
Other	489	779
	<b>3,873</b>	<b>3,841</b>

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 4 Gain/(Loss) on Disposal

	2009 \$'000	2008 \$'000
<b>Gain/(loss) on disposal of plant and equipment</b>		
Proceeds from disposal	2	3
Written down value of assets disposed	(24)	(60)
Net gain / (loss) on disposal of plant and equipment	(22)	(57)
<b>Gain/(loss) on disposal of Intangible Assets</b>		
Written down value of assets disposed	–	(18)
Net gain / (loss) on disposal of intangible assets	–	(18)
<b>Gain/(loss) on disposal</b>	<b>(22)</b>	<b>(75)</b>

### 5 Other Gains/(Losses)

Impairment of receivables	(155)	4
Impairment of shares held	(44)	(415)
Other gains/(losses) total	(199)	(411)

### 6 Appropriations

<b>Recurrent appropriation</b>		
Total recurrent drawdowns from NSW Treasury (per Summary of Compliance)	186,767	161,272
	186,767	161,272
Comprising:		
Recurrent appropriation (per Operating Statement)	176,061	160,423
Transfer payments (Note 8)	10,706	849
	186,767	161,272
<b>Capital appropriation</b>		
Total capital drawdowns from NSW Treasury (per Summary of Compliance)	1,074	413
	1,074	413
Comprising:		
Capital appropriation (per Operating Statement)	1,074	413
	1,074	413



## 7 Acceptance by the Crown Entity of Employee Benefits and Other Liabilities

The following liabilities and / or expenses have been assumed by the Crown Entity:

	2009 \$'000	2008 \$'000
Superannuation	816	822
Payroll tax	48	43
Long service leave	1,565	991
	<b>2,429</b>	1,856

## 8 Transfer Payments

Transfer payments to the Ministerial Corporation for Industry and Small Business Development Corporation of NSW comprise amounts administered by the Corporations relating to their activities. The Corporations draw funds from the Department only to the extent necessary to meet current cash requirements for expenditure.

<b>Transfer payments</b>		
Small Business Development Corporation of NSW	63	73
Ministerial Corporation for Industry	10,643	776
	<b>10,706</b>	849

## 9 Service Groups of the Department

The Service Groups operated by the Department as disclosed in the 2008 – 2009 NSW Treasury Budget Papers are:

(a) **Service Group 49.1 – State Development**

Objective(s): Facilitating and encouraging business investment in the State. It includes innovation and industry development in growth sectors of the NSW economy to increase business growth, internationalisation and investment in metropolitan and regional areas.

(b) **Service Group 49.2 – Regional Development**

Objective(s): Facilitating and encouraging increased business investment in regional NSW, including working with domestic and international firms to start up, expand in, or relocate to regional New South Wales.

(c) **Service Group 49.3 – Small Business**

Objective(s): Encouraging growth of the small business sector by reducing red tape, promoting innovation and expanding sales into international markets.

(d) **Service Group 49.4 – Science and Medical Research**

Objective(s): Creation of a dynamic research and development sector by attracting increased investment from the Commonwealth, industry and international sources, and aligning these with business strengths and broader health and environmental outcomes.

(e) **Service Group 49.5 – Tourism**

Objective(s): Promoting New South Wales to domestic and international tourism markets and providing opportunities for an increase in jobs and tourist expenditure.

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 10 Current Assets – Cash and Cash Equivalents

	2009 \$'000	2008 \$'000
Cash at bank and on hand	20,832	26,103
	20,832	26,103
Cash and cash equivalents (per Balance sheet)	20,832	26,103
Closing cash and cash equivalents (per Cash Flow Statement)	20,832	26,103
<b>Unused credit standby facilities</b>		
Credit card facilities	334	757
	334	757

### 11 Current/Non Current Assets – Receivables

<b>Current Receivables</b>		
Sale of goods and services	1,821	2,494
Accrued Interest	286	360
GST receivable from Australian Taxation Office	5,642	4,379
Prepayments	1,650	1,634
	9,399	8,867
Less: Allowance for impairment	185	30
	9,214	8,837
<i>Movement in the allowance for impairment</i>		
Balance at 1 July	30	153
Amounts written off during the year	(3)	(73)
Amounts recovered during the year	(16)	(80)
Increase/(decrease) in allowance recognised in profit or loss	174	30
Balance at 30 June	185	30

## 12 Non Current Assets – Plant and Equipment

	\$'000
<b>At 1 July 2008 – fair value</b>	
Gross carrying amount	13,346
Accumulated depreciation and impairment	(7,679)
Net carrying amount at fair value	5,667

<b>At 30 June 2009 – fair value</b>	
Gross carrying amount	12,527
Accumulated depreciation and impairment	(7,817)
Net carrying amount at fair value	4,710

### Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

#### Year ended 30 June 2009

Net carrying amount at start of year	5,667
Additions	714
Disposals	(1,533)
Reclassification as intangibles	–
Depreciation expense	(1,647)
Disposal written back against accumulated depreciation	1,509
Net carrying amount at end of year	4,710

<b>At 1 July 2007 – fair value</b>	
Gross carrying amount	13,202
Accumulated depreciation and impairment	(6,791)
Net carrying amount	6,411

<b>At 30 June 2008 – fair value</b>	
Gross carrying amount	13,346
Accumulated depreciation and impairment	(7,679)
Net carrying amount	5,667

### Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below.

#### Year ended 30 June 2008

Net carrying amount at start of year	6,411
Additions	922
Disposals	(726)
Reclassification as intangibles	(53)
Depreciation expense	(1,521)
Disposal written back against accumulated depreciation	634
Net carrying amount at end of year	5,667

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 13 Intangible Assets

	Software \$'000
<b>At 1 July 2008</b>	
Cost (gross carrying amount)	1,080
Accumulated amortisation and impairment	(438)
Net carrying amount	642
<b>At 30 June 2009</b>	
Cost (gross carrying amount)	1,479
Accumulated amortisation and impairment	(629)
Net carrying amount	850
<b>Year ended 30 June 2009</b>	
Net carrying amount at start of year	642
Additions acquired separately	408
Disposals	(10)
Amortisation (recognised in depreciation and amortisation)	(200)
Disposal written back against accumulated depreciation	10
Net carrying amount at end of year	850
<b>At 1 July 2007</b>	
Cost (gross carrying amount)	6,149
Accumulated amortisation and impairment	(5,370)
Net carrying amount	779
<b>At 30 June 2008</b>	
Cost (gross carrying amount)	1,080
Accumulated amortisation and impairment	(438)
Net carrying amount	642
<b>Year ended 30 June 2008</b>	
Net carrying amount at start of year	779
Additions acquired separately	19
Disposals	(5,151)
Reclassification as intangibles	53
Amortisation (recognised in 'depreciation and amortisation')	(189)
Disposal written back against accumulated depreciation	5,133
Other movements	(2)
Net carrying amount at end of year	642



## 14 Non Current Assets (or Disposal Groups) Held for Sale

	2009 \$'000	2008 \$'000
<b>Assets held for sale</b>		
Australian Tourism Data Warehouse Pty Ltd Shares	–	44
Total	–	44

## 15 Current Liabilities – Payables

<b>Current</b>		
Accrued salaries, wages and on costs	831	941
Creditors	4,611	6,744
	5,442	7,685

## 16 Current/Non Current Liabilities – Provisions

<b>Current</b>		
<b>Employee benefits and related on costs</b>	4,334	3,979
Recreation leave	848	609
Long service leave on costs	5,182	4,588
<b>Non current</b>		
<b>Employee benefits and related on costs</b>		
Long service leave on costs	45	33
	45	33
<b>Non current</b>		
<b>Other provisions</b>		
Restoration costs	922	922
	922	922
	967	955
<b>Aggregate employee benefits and related on costs</b>		
Provisions – current	5,182	4,588
Provisions – non current	45	33
Accrued salaries, wages and on costs (Note 15)	831	941
	6,058	5,562

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 16 Current/Non Current Liabilities – Provisions (continued)

	\$'000
<b>Movements in provisions (other than employee benefits)</b>	
<b>2009</b>	
Carrying amount at the beginning of financial year	922
Additional provisions recognised	–
<b>Carrying amount at end of financial year</b>	<b>922</b>

### 17 Current/Non-Current Liabilities – Other

	2009 \$'000	2008 \$'000
<b>Current</b>		
Repayable advances	–	11
Lease incentive	167	167
Fees received in advance	372	76
	<b>539</b>	254
<b>Non current</b>		
Lease incentive	306	473
	<b>306</b>	473

### 18 Changes in Equity

	Accumulated Funds	
<b>Consolidated</b>		
Balance at the beginning of the financial year	27,338	26,542
<b>Changes in equity – other than transactions with owners as owners</b>		
Surplus/(deficit) for the year	(4,168)	796
Total	(4,168)	796
Balance at the end of the financial year	<b>23,170</b>	27,338

### 19 Commitments for expenditure

<b>(a) Other Expenditure Commitments</b>		
Aggregate other expenditure for the acquisition of goods and services contracted for at balance date and not provided for:		
Not later than one year	2,308	7,497
Later than one year and not later than five years	921	2,692
<b>Total (including GST)</b>	<b>3,229</b>	10,189

The total other expenditure commitments above include input tax credits of \$294,000 (30 June 2008 \$926,000) that are expected to be recovered from the ATO.

## 19 Commitments for expenditure (continued)

	2009 \$'000	2008 \$'000
<b>(b) Operating Lease Commitments</b>		
Not later than one year	6,724	6,784
Later than one year and not later than five years	10,579	16,349
Later than five years	15	95
<b>Total (including GST)</b>	<b>17,318</b>	<b>23,228</b>

The total operating lease commitments above include input tax credits of \$1,519,000 (30 June 2008 \$2,060,000) that are to be recovered from the ATO.

### (c) Grants and Subsidies Commitments

Small Business Development	1,860	1,384
Regional Development Assistance	27,970	22,064
Hunter Advantage Fund	3,391	2,956
Illawarra Advantage Fund	3,521	1,273
Regional Economic Transition Scheme	810	1,011
Australian Technology Showcase	2,310	2,310
Innovation and Biotechnology initiatives	1,417	4,422
National ICT Centre for Excellence	16,500	22,000
Payroll Tax Incentive Scheme	29,908	27,647
Business Drought Assistance	429	782
Science and Medical Research	15,535	24,468
Assistance to Industry	41,877	–
<b>Total (Including GST)</b>	<b>145,528</b>	<b>110,317</b>
Not later than one year	63,263	49,651
Later than one year and not later than five years	82,265	60,666
Later than five years	–	–
<b>Total (Including GST)</b>	<b>145,528</b>	<b>110,317</b>

The total grants and subsidies commitments above include input tax credits of \$13,230,000 (30 June 2008 \$10,029,000) that are expected to be recovered from the ATO.

## 20 Contingent Liabilities and Contingent Assets

The Department is not aware of any contingent liabilities and contingent assets associated with its operations.

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 21 Budget Review

#### Net cost of services

The actual net cost of services was greater than budget by \$18,699,000. Major components of this variation include:

- (a) Actual employee related payments were less than budget by \$1,655,000. This was primarily due to less than budgeted average staffing levels across the Department during the financial year.
- (b) Actual other operating expenditure was greater than budget by \$4,472,000 due to greater than budgeted accommodation expenditure and additional project and program expenditure in the areas of the engagement of consultants, publication and advertising and information technology.
- (c) Actual grants and subsidies expenditure was greater than budget by \$2,460,000. This was due to greater than budgeted expenditure in specific items including *Science and Medical Research* projects, grants to Regional Tourism Organisations, *Illawarra Advantage Fund* and Government assistance to the National ICT Centre for Excellence. Greater than budgeted expenditure was offset by less than budgeted expenditure in the Payroll Tax Incentive Scheme and the Katoomba Echo Point Development Project. The variations to budget generally occur due to cash flow variations for existing approved projects and the introduction of new funding approvals.
- (d) Actual other expenses were greater than budget by \$13,593,000. This is primarily due to greater than budgeted expenditure associated with Government initiatives including the *Tourism NSW Strategy*, *Business Drought Assistance* and the introduction of the *Building the Country Program*, and expenditure in relation to the introduction of the *Homebush Motor Racing (Sydney 400) Act 2008* to facilitate the V8 Supercar racing event. The variations to budget generally occur due to cash flow variations for existing approved projects and the introduction of new funding approvals.
- (e) Actual revenue was greater than budget by \$846,000. This is primarily due to less than budgeted investment income, offset by greater than budgeted revenue in relation to recoveries associated with the administration of the *Retail Leases Act, 1994* and greater than budgeted contributions to the *Brand Sydney* project.

#### Assets and Liabilities

Actual total net assets at the end of the financial year were less than budget by \$4,037,000. Components of the variation over the various asset and liability categories include:

- (a) Actual total assets were \$5,510,000 less than budgeted cash and cash equivalents at year end of \$5,417,000, due to the use of cash to meet the cost of various program and project activities.
- (b) Actual total liabilities were less than budget by \$1,473,000 primarily due to less than budgeted total current liabilities at year end, in particular current liabilities – payables.

#### Cash flows

Actual net cash flows from operating activities were less than budget by \$5,371,000. This was due to greater than budgeted contributions from Government to fund new initiatives, greater than budgeted receipts and a decrease in budgeted cash and cash equivalents at year end.

Actual net cash flows from investing activities marginally exceeded budget by \$46,000.



## 22 Reconciliation of Cash Flows from Operating Activities to Net Cost of Services

	2009 \$'000	2008 \$'000
Net cash used on operating activities	(4,151)	5,155
Cash flows from Government / Appropriations	(177,135)	(160,836)
Acceptance by the Crown Entity of employee benefits and other liabilities	(2,429)	(1,856)
Depreciation	(1,847)	(1,710)
Decrease / (increase) in provisions	(606)	102
Increase / (decrease) in receivables and other assets	377	451
Decrease / (increase) in payables	2,243	(3,221)
Net gain / (loss) on sale of plant and equipment	(22)	(75)
Other gain / (loss)	(44)	(411)
Decrease / (increase) in other liabilities	(118)	505
Net cost of services	(183,732)	(161,896)

## 23 Trust Funds

### (a) Retail Leases Security Bonds Trust and Interest Accounts

The Department holds money in the Retail Leases Security Bonds Trust and Interest Accounts with NSW Treasury Corporation. Retail Lease Security Bonds are lodged with the Director General of the Department of State and Regional Development in accordance with Section 16C of the *Retail Leases Act 1994*. These monies are excluded from the financial statements as the Department can not use them for the achievement of its objectives. The following is a summary of the transactions in the trust account

Cash balance at the beginning of the financial year	92,679	86,462
Add: Bond lodgements	27,088	28,729
Interest	5,101	6,231
Less: Expenditure	(19,372)	(18,574)
Transfer to NSW Treasury Consolidated Funds	(4,000)	(9,000)
Transfer to Department to administer Retail Leases Act 1994	(1,668)	(1,169)
Cash balance at the end of the financial year	99,828	92,679
<b>Retail Lease Security Bonds comprising:</b>		
Bonds lodgements	98,400	90,805
Balance of interest earned after transfer to Consolidated Fund and the Department	838	1,405
Cash on hand	590	469
	99,828	92,679

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### (b) Sydney Visitor Centre – Airport Travel Centre Trust Account

The Sydney Visitor Centre – Airport Travel Centre ceased operation in May 2008. The finances of the former Sydney Visitor Centre – Airport Travel Centre were operated through a separate trust account as the funds were held in trust for clients. These monies were excluded from the financial statements as the Department could not use the funds for the achievement of its objectives. The following is a summary of the transactions in the trust account:

	2009 \$'000	2008 \$'000
Cash balance at the beginning of the financial year	11	139
Add: Receipts	1	2,549
Less: Expenditure	(12)	(2,677)
Cash balance at the end of the financial year	–	11

## 24 Financial Instruments

The Department's principal financial instruments are cash deposits held within the NSW Treasury Banking System, short term receivables and payables. These instruments expose the Department primarily to interest rate risk on cash balances held within the NSW Treasury Banking system and credit risk on short term receivables. The Department does not enter into or trade financial instruments for speculative purposes and does not use financial derivatives.

The Director General through the Department's Audit and Review Committee, has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Compliance with policies is reviewed by the Internal Auditors on a continuous basis.

### (a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount 2009 \$'000	Carrying Amount 2008 \$'000
<b>Class</b>				
Cash and cash equivalents	10	N/A	20,832	26,103
Receivables	11	Loans and receivables (at amortised cost)	1,922	2,824
Other financial assets	14	Available for sale financial assets (at fair value)	–	44
<b>Financial liabilities</b>				
<b>Class</b>				
Payables	15	Financial liabilities measured at amortised cost	5,442	7,685
Other	17	Financial liabilities measured at amortised cost	473	640

### (b) Credit Risk

Credit risk arises when there is the possibility of the Department's debtors defaulting on their contractual obligations, resulting in a financial loss to the Department. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

#### Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

#### Receivables – trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectibility of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Debtors invoices are generally issued on 30 day terms.

The Department is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors.

The only financial assets that are past due or impaired are "sales of goods and services" in the "receivables" category of the balance sheet.

## 24 Financial Instruments (continued)

### (b) Credit Risk (continued)

		\$'000	
	Total	Past due but not impaired	Considered impaired
<b>2009</b>			
< 3 months overdue	824	824	–
3 months – 6 months overdue	153	131	22
> 6 months overdue	185	–	185
<b>2008</b>			
< 3 months overdue	1,572	1,572	–
3 months – 6 months overdue	128	128	–
> 6 months overdue	89	59	30

### (c) Liquidity risk

Liquidity risk is the risk that the Department will be unable to meet its payment obligations when they fall due. The Department continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was applied during the year (2008 – Nil).

The table below summarises the maturity profile of the Department's financial liabilities, together with the interest rate exposure.

		\$'000 Maturity Dates		
	Carrying Amount	< 1 yr	1–5 yrs	> 5 yrs
<b>2009</b>				
<i>Payables:</i>				
Accrued salaries, wages and on-costs	831	831	–	–
Creditors	4,611	4,611	–	–
Other	473	167	306	–
	5,915	5,609	306	–
<b>2008</b>				
<i>Payables:</i>				
Accrued salaries, wages and on-costs	941	941	–	–
Creditors	6,744	6,744	–	–
Other	640	167	473	–
	8,325	7,852	473	–

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### (d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Department's exposures to market risk are primarily through interest rates on cash and cash equivalents. The Department has no material exposure to foreign currency risk and does not enter into commodity contracts.

A change in interest rates would not materially affect profit or loss or equity. A reasonably possible change of +/-1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Department's exposure to interest rate risk is set out below.

	\$'000				
	Carrying Amount	-1% Profit	Equity	+1% Profit	Equity
<b>2009</b>					
<i>Financial assets</i>					
Cash and cash equivalents	20,832	(208)	(208)	208	208
Receivables	1,922	—	—	—	—
Other financial assets	—	—	—	—	—
<i>Financial liabilities</i>					
Payables	5,442	—	—	—	—
Other	473	—	—	—	—
	28,669	(208)	(208)	208	208
<b>2008</b>					
<i>Financial assets</i>					
Cash and cash equivalents	26,103	(261)	(261)	261	261
Receivables	2,824	—	—	—	—
Other financial assets	44	—	—	—	—
<i>Financial liabilities</i>					
Payables	7,685	—	—	—	—
Other	640	—	—	—	—
	37,296	(261)	(261)	261	261

### (e) Fair Value

The carrying value of receivables less any impairment provision and payables is a reasonable approximation of their fair value due to their short term nature.


## 25 After balance date events

There are no events subsequent to the balance date which affect the financial information disclosed in the financial report.

As part of the NSW Government's public sector reform agenda, an Administrative Order, the Public Sector Employment Changes Order (Departmental Amalgamations) Order 2009 was issued on 27th July, 2009. The Order abolished the Department of State and Regional Development and transferred all branches of the former Department, with the exception of the Retail Tenancy Unit, to the newly established Department of Industry and Investment. The Retail Tenancy Unit was transferred to the newly established Department of Services, Technology and Administration.

End of audited financial statements





Ministerial Corporation for Industry

# financial statements

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# Independent Auditor's Report

FOR THE YEAR ENDED 30TH JUNE 2009



GPO BOX 12  
Sydney NSW 2001

## INDEPENDENT AUDITOR'S REPORT

Ministerial Corporation for Industry

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Ministerial Corporation for Industry (the Corporation), which comprises the balance sheet as at 30 June 2009, the operating statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

### Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Corporation as at 30 June 2009, and its financial performance for the year then ended, in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations);
- is in accordance with section 45E of the Public Finance and Audit Act 1987 (the PF&A Act) and the Public Finance and Audit Regulation 2005.

My opinion should be read in conjunction with the rest of this report.

### Minister's Responsibility for the Financial Report

The Minister is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Corporation's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Minister, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

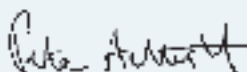
My opinion does not provide assurance:

- about the future viability of the Corporation,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

#### Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PRA Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



Peter Achtenstraat  
Auditor-General

23 October 2009  
SYDNEY

## Operating statement

FOR THE YEAR ENDED 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>Expenses excluding losses</b>				
Other operating expenses	2(a)	10,032	10,600	4,461
<b>Total expenses excluding losses</b>		10,032	10,600	4,461
<b>Revenue</b>				
Investment income	3(a)	2	–	2
Grants and contributions	3(b)	10,643	10,600	776
Other revenue	3(c)	–	–	35
<b>Total revenue</b>		10,645	10,600	813
<b>Other gains / (losses)</b>	4	1	–	–
<b>Net Cost of Services</b>	17	614	–	(3,648)
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		614	–	(3,648)

The accompanying notes form part of these financial statements.

## Statement of recognised income and expense

FOR THE YEAR ENDED 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
Net increase/(decrease) in property, plant and equipment asset revaluation reserve		–	–	–
<b>TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY</b>		–	–	–
Surplus / (Deficit) for the year		<b>614</b>	–	(3,648)
<b>TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR</b>	13	<b>614</b>	–	(3,648)

The accompanying notes form part of these financial statements.



## Balance sheet

AS AT 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Non-current assets held for sale	10	1,300	764	764
<b>Total current assets</b>		<b>1,300</b>	764	764
<b>Non-current assets</b>				
Other financial assets	8	14	12	12
Land	9, 11	2,100	2,635	2,635
<b>Total non-current assets</b>		<b>2,114</b>	2,647	2,647
<b>Total assets</b>		<b>3,414</b>	3,411	3,411
<b>Current liabilities</b>				
Payables	12	348	644	959
<b>Total current liabilities</b>		<b>348</b>	644	959
<b>Total liabilities</b>		<b>348</b>	644	959
<b>Net assets</b>		<b>3,066</b>	2,767	2,452
<b>EQUITY</b>				
Accumulated funds	13	3,066	2,767	2,452
<b>Total Equity</b>		<b>3,066</b>	2,767	2,452

The accompanying notes form part of these financial statements.

## Cash flow statement

FOR THE YEAR ENDED 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Payments</b>				
Other		(10,643)	(10,600)	(4,148)
<b>Total Payments</b>		<b>(10,643)</b>	<b>(10,600)</b>	<b>(4,148)</b>
<b>Receipts</b>				
Other		10,643	10,600	813
<b>Total Receipts</b>		<b>10,643</b>	<b>10,600</b>	<b>813</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	17	<b>–</b>	<b>–</b>	<b>(3,335)</b>
<b>NET INCREASE / (DECREASE) IN CASH</b>				
Opening cash and cash equivalents		–	–	3,335
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	6	<b>–</b>	<b>–</b>	<b>–</b>

The accompanying notes form part of these financial statements.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2009

## 1 Summary of Significant Accounting Policies

### (a) Reporting entity

The Ministerial Corporation for Industry (hereafter referred to as the "Corporation") is constituted under the *State Development and Industries Assistance Act, 1966*. The Corporation's functions are:

To promote, encourage and stimulate:

- (a) the establishment, expansion or development of industries; and
- (b) the carrying out, by business undertakings and prescribed institutions, of projects that are likely to assist the establishment, expansion or development of industries.

The Corporation is a separate reporting entity. There are no other entities under its control.

As the Corporation is a single program entity the financial operations disclosed in the Operating Statement and Balance Sheet are identical to the Corporation's program. Accordingly a separate supplementary financial statements service group statement has not been prepared.

The Corporation is a not for profit entity (as profit is not its principal objective) and has no cash generating units.

The financial report for the year ended 30 June 2009 has been authorised for issue by the Minister for State Development, in the capacity of the Ministerial Corporation for Industry on 20th October 2009.

### (b) Basis of preparation

The Corporation's financial report is a general purpose financial report which has been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and Regulation;
- the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

### (c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

### (d) Administered support

The Department of State and Regional Development's Investment and Industry Development Division is primarily responsible for managing and facilitating projects in the name of the Corporation under the *State Development and Industries Assistance Act 1966*. The functions and activities of the Corporation are considered to be an integral part of the Department's core business and economic development activities and is not an entity that operates independently to the Department. The Department does not separately cost the administered activities component for projects that are facilitated or financially assisted under the name of the Corporation.

### (e) Insurance

The Corporation's insurance activities are included in the Department of State and Regional Development's insurance coverage conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claim experience.

### (f) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

Contributions from other bodies

- Contributions from other bodies (including grants and donations) are generally recognised as income when the Corporation obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.

### (g) Acquisitions of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Corporation. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

### (h) Revaluation of land

Physical non current assets are valued in accordance with the "Valuation of Physical Non Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-1). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

Land is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of land is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Corporation's physical non current assets are represented by land held for sale for commercial or industrial development. Land is valued at market based value. Physical non current assets are revalued every 5 years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date.

#### (i) Impairment of land

As a not for profit entity with no cash generating units, the Corporation is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

#### (j) Depreciation of property, plant and equipment

Depreciation is not provided as the Corporation's non current physical assets are non depreciable.

#### (k) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less any allowance for any impairment of receivables. Any changes are accounted for in the operating statement when impaired, derecognised or through the amortisation process.

Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

#### (l) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the operating statement.

Any reversals of impairment losses are reversed through the operating statement, where there is objective evidence, except reversals of impairment losses on an investment in an equity instrument classified as "available for sale" must be made through the reserve. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

#### (m) Non current assets held for sale

The Corporation has certain non current assets classified as held for sale, where their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non current assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell. These assets are not depreciated while they are classified as held for sale.

#### (n) Payables

These amounts represent liabilities for goods and services provided to the Corporation and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

#### (o) New Australian Accounting Standards issued but not effective

At the reporting date, a number of Accounting Standards adopted by the Australian Accounting Standards Board have been issued but are not yet operative and have not been early adopted by the Corporation. NSW Treasury mandate (TC09/03) precludes early adoption of these accounting standards.

AASB 3 (March 2008), AASB 127 and AASB 2008-3 regarding business combinations

AASB 8 and AASB 2007-3 regarding operating segments

AASB 101 (Sept 2007), AASB 2007-8 and AASB 2007-10 regarding presentation of financial statements

AASB 123 (June 2007) and AASB 2007-6 regarding borrowing costs

AASB 1039 regarding concise financial reports

AASB 2008-1 regarding share based payments

AASB 2008-2 regarding puttable financial instruments

In the period of initial application, the Corporation does not anticipate any material impact on the figures reported in the financial statements.

#### (p) Grants, subsidies and industry assistance

Payments for grants, subsidies and industry assistance are expensed at the time the Corporation becomes liable to make the payment. The approval of the grant, subsidy or assistance may cover a number of years, and it is not considered that a liability arises until conditions specified in the approval have been met and a claim for payment has been received. Grants, subsidies and assistance which have been approved but have not been paid or accrued have been included in commitments for expenditure (Refer Note 14).

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 2 Expenses Excluding Losses

	2009 \$'000	2008 \$'000
(a) Other operating expenses include the following:		
Auditor's remuneration – audit of the financial report	16	17
Other Expenses	20	113
Consultancies	–	485
Sponsorships donations	580	–
Legal costs	321	–
Assistance to Industry	9,095	3,846
	<b>10,032</b>	<b>4,461</b>

### 3 Revenue

(a) Investment income		
Interest	2	2
	<b>2</b>	<b>2</b>
(b) Grants and contributions		
Department of State and Regional Development	10,643	776
	<b>10,643</b>	<b>776</b>
(c) Other revenue		
Miscellaneous revenue	–	35
	<b>–</b>	<b>35</b>

### 4 Other Gains/(Losses)

Valuation adjustment to land (refer Note 10)	536	–
Impairment of land	(535)	–
Other gains/(losses) total	<b>1</b>	<b>–</b>



## 5 Service Group of the Corporation

The Corporation operates from within the Department of State and Regional Development's service group 49.1 – State Development, as disclosed in the 2008–2009 NSW Treasury Budget Papers.

### Service Group 49.1 – State Development

Objective: Facilitating and encouraging business investment in the State. It includes innovation and industry development in growth sectors of the NSW economy to increase business growth, internationalisation and investment in metropolitan and regional areas.

## 6 Current Assets – Cash and Cash Equivalents

The Corporation did not hold cash or cash equivalents as at 30 June 2009 (30 June 2008 Nil).

The Corporation's transactions were operated through the Department of State and Regional Development's bank account.

## 7 Current/Non Current Assets – Financial Assets at Fair Value

	2009 \$'000	2008 \$'000
<b>Non-current</b>		
Investment-equity in Smart Internet Technology CRC	1,371	1,371
Diminution of value of CRC shares	(1,371)	(1,371)
	–	–

Refer to Note 18 for further information regarding credit risk, liquidity risk, and market risk arising from financial instruments.

## 8 Current/Non Current Assets – Other Financial Assets

<b>Non-current</b>		
Loans to industry	1,977	1,975
Allowance for impairment	(1,963)	(1,963)
	14	12

Refer to Note 18 for further information regarding credit risk, liquidity risk, and market risk arising from financial instruments.

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 9 Non Current Assets – Property

	Land \$'000
<b>At 1 July 2008 – fair value</b>	
Gross carrying amount	2,635
Net carrying amount	2,635
<b>At 30 June 2009 – fair value</b>	
Gross carrying amount	2,100
Net carrying amount	2,100
<b>Reconciliation</b>	
A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.	
<b>Year ended 30 June 2009</b>	
Net carrying amount at start of year	2,635
Impairment losses (recognised in other gain / losses)	(535)
Net carrying amount at end of year	2,100
<b>At 1 July 2007– fair value</b>	
Gross carrying amount	2,635
Net carrying amount	2,635
<b>At 30 June 2008– fair value</b>	
Gross carrying amount	2,635
Net carrying amount	2,635
<b>Reconciliation</b>	
A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below.	
<b>Year ended 30 June 2008</b>	
Net carrying amount at start of year	2,635
Net carrying amount at end of year	2,635

## 10 Non Current Assets (or Disposal Groups) Held for Sale

	2009 \$'000	2008 \$'000
<b>Non-current assets held for sale</b>		
Land	1,300	764
Total	1,300	764

The land held for sale relates to the Corporation's previous involvement in a development agreement with the Albury Wodonga Development Corporation (now trading as the Albury Wodonga Corporation) to develop, market and sell industrial property at Albury. The Corporation contributed the industrial land with the Albury Wodonga Corporation responsible for development of the site. The Corporation's interest in the development arrangement was calculated at 58.8%.

During the 2008–2009 financial year the Albury Wodonga Corporation advised the Corporation that following a directive from the Australian Government, the Albury Wodonga Corporation could no longer participate in the development agreement. The disclosed value of the land held for sale has been adjusted to reflect the revised arrangement. The impact of this adjustment was to increase the carrying value by \$536,000. The carrying value of \$1,300,000 is based on an independent valuation undertaken on 12 January 2007. The Corporation will continue to market the land for sale.

## 11 Restricted Assets

The Land disclosed in Note 9 Non-Current Assets – Property is held by the Corporation as part of a development to build the Blue Mountains Cultural Centre at Katoomba. This will be a mixed use development comprising a cultural centre, retail area and other facilities. The land is subject of a call option under the Deed of Agreement between the Corporation, Blue Mountains City Council and the Developer.

## 12 Current Liabilities – Payables

	2009 \$'000	2008 \$'000
<b>Current</b>		
Assistance to Industry	348	959
	348	959

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in Note 18.

## 13 Changes in Equity

	2009 \$'000	2008 \$'000
<b>Entity</b>		
Balance at the beginning of the financial year	2,452	6,100
	2,452	6,100
<b>Changes in equity – other than transactions with owners as owners</b>		
Surplus/(deficit) for the year	614	(3,648)
Balance at the end of the financial year	3,066	2,452

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 14 Commitments for Expenditure

	2009 \$'000	2008 \$'000
<b>(a) Other Expenditure Commitments</b>		
Industry Assistance Fund Commitments approved but not paid:		
Not later than one year	11,369	9,281
Later than one year and not later than five years	37,906	15,730
Later than five years	–	–
<b>Total (including GST)</b>	<b>49,275</b>	<b>25,011</b>

The total expenditure commitments above include input tax credits of \$4,480,000 (30 June 2008 \$2,274,000) that are expected to be recovered from the ATO.

### 15 Contingent Liabilities and Contingent Assets

The Corporation is not aware of any contingent liabilities and / or contingent assets associated with its operations.

### 16 Budget Review

#### Net cost of services

The actual net cost of services was less than budget by \$614,000. This is primarily due to less than budgeted assistance to industry other operating expenses of \$568,000, and greater than budgeted contributions from the Department of State and Regional Development of \$45,000.

#### Assets and liabilities

Actual total current assets were greater than budget by \$536,000 due to an adjustment to the carrying value of land following cancellation of the land development agreement with the Albury Wodonga Corporation.

Actual current liabilities were less than budget by \$296,000 due to decreased current liabilities payables at year end.

## 17 Reconciliation of Cash Flows from Operating Activities to Net Cost of Services

	2009 \$'000	2008 \$'000
<b>Net cash used on operating activities</b>	–	(3,335)
Increase/(decrease) in receivables	2	2
Decrease/(increase) in payables	611	(315)
Net gain/(loss) on other	1	–
<b>Net cost of services</b>	<b>614</b>	<b>(3,648)</b>

## 18 Financial Instruments

The Corporation's principal financial instruments are long term receivables and payables. These instruments expose the Corporation primarily to credit risk on long term receivables. The Corporation does not enter into or trade financial instruments for speculative purposes and does not use financial derivatives.

### (a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount 2009 \$'000	Carrying Amount 2008 \$'000
<b>Class</b>				
Other financial assets	8	Loans and receivables (at amortised cost)	14	12
<b>Financial Liabilities</b>				
<b>Class</b>				
Payables (Note 1)	12	Financial liabilities measured at amortised cost	348	959

Note 1. Excludes statutory payables and unearned revenue (i.e. not within scope of ASSB 7).

### (b) Credit Risk

Credit risk arises when there is the possibility of the Corporation's debtors defaulting on their contractual obligations, resulting in a financial loss to the Corporation. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

### (c) Liquidity risk

Liquidity risk is the risk that the Corporation will be unable to meet its payment obligations when they fall due. The Corporation continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was applied during the year (2008 Nil).



## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 18 Financial Instruments (continued)

The table below summarises the maturity profile of the Corporation's financial liabilities, together with the interest rate exposure.

Maturity Analysis and interest rate exposure of financial liabilities

	Nominal Amount	\$'000 Maturity Dates		
		< 1 yr	1–5 yrs	> 5 yrs
<b>2009</b>				
<i>Payables:</i>				
Creditors	348	348	–	–
	348	348	–	–
<b>2008</b>				
<i>Payables:</i>				
Creditors	959	959	–	–
	959	959	–	–

#### (d) Fair Value

The carrying value of receivables less any impairment provision and payables is a reasonable approximation of their fair value due to their short term nature.

### 19 After balance date events

There are no events subsequent to balance date which affect the financial information in the financial report.

The Department of State and Regional Development was responsible for managing and facilitating projects in the name of the Corporation under the State Development and Industries Assistance Act, 1966 up until 24 July 2009. Following the signing of an Administrative Changes Order, the Public Sector Employment and Management (Departmental Amalgamations) Order 2009 on 27 July 2009, the Department of State and Regional Development was abolished and the branches of the former Department were transferred to the newly established Department of Industry and Investment, to take effect from 27 July 2009.

End of audited financial statements



Small Business Development Corporation  
of New South Wales

# financial statements

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# Independent Auditor's Report

FOR THE YEAR ENDED 30TH JUNE 2009



C10 B38 12  
Sydney NSW 2001

## INDEPENDENT AUDITOR'S REPORT

Small Business Development Corporation of New South Wales

To Members of the New South Wales Parliament

I have audited the accompanying financial report of Small Business Development Corporation of New South Wales (the Corporation), which comprises the balance sheet as at 30 June 2009, the operating statement, statement of recognised income and expense, cash flow statement, a summary of significant accounting policies and other explanatory notes.

### Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Corporation at 30 June 2009, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the *Public Finance and Audit Regulation 2005*.

My opinion should be read in conjunction with the rest of this report.

### The Board's Responsibility for the Financial Report

The members of the Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making these risk assessments, the auditor considers internal controls relevant to the Corporation's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Board, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

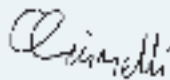
My opinion does not provide assurance:

- about the future viability of the Corporation,
- that it has carried out its activities effectively, efficiently and economically,
- about the effectiveness of its internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial report.

#### Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PFBA Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



C J Glumell  
Director, Financial Audit Services

20 October 2009  
SYDNEY

## Operating statement

FOR THE YEAR ENDED 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>Expenses excluding losses</b>				
Other operating expenses	2(a)	60	50	76
<b>Total expenses excluding losses</b>		<b>60</b>	50	76
<b>Revenue</b>				
Grants and contributions	3(a)	63	50	73
Total revenue		<b>63</b>	50	73
Net Cost of Services		<b>3</b>	–	(3)
<b>Total Government contributions</b>		<b>–</b>	–	–

The accompanying notes form part of these financial statements.



## Statement of recognised income and expense

FOR THE YEAR ENDED 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY</b>		–	–	–
Surplus / (Deficit) for the year		3	–	(3)
<b>TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR</b>	7	3	–	(3)

The accompanying notes form part of these financial statements.

## Balance sheet

AS AT 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	5	–	–	–
<b>Total current assets</b>		–	–	–
<b>Total assets</b>		–	–	–
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	6	5	5	8
<b>Total current liabilities</b>		5	5	8
<b>Total liabilities</b>		5	5	8
<b>Net assets</b>		(5)	(5)	(8)
<b>EQUITY</b>				
Accumulated funds	7	(5)	(5)	(8)
<b>Total Equity</b>		(5)	(5)	(8)

The accompanying notes form part of these financial statements.

## Cash flow statement

FOR THE YEAR ENDED 30 JUNE 2009

	Notes	Actual 2009 \$'000	Budget 2009 \$'000	Actual 2008 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Payments</b>				
Other operating expenses		(63)	(50)	(73)
<b>Total Payments</b>		<b>(63)</b>	<b>(50)</b>	<b>(73)</b>
<b>Receipts</b>				
Grants and Contributions		63	50	73
<b>Total Receipts</b>		<b>63</b>	<b>50</b>	<b>73</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>–</b>	<b>–</b>	<b>–</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>–</b>	<b>–</b>	<b>–</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	5	<b>–</b>	<b>–</b>	<b>–</b>

The accompanying notes form part of these financial statements.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2009

## 1 Summary of Significant Accounting Policies

### (a) Reporting entity

The Small Business Development Corporation of New South Wales (hereafter the "Corporation"), is constituted under the *Small Business Development Corporation Act, 1984*. The objectives of the Corporation are:

- (i) develop policy objectives for Government programs of assistance to the small business sector of the economy;
- (ii) to evaluate such Government programs in the light of these objectives;
- (iii) to make recommendations for improvement of such Government programs; and
- (iv) to assist the Government generally in matters relating to the development of the small business sector of the economy.

The Corporation is a single program entity, the financial operations disclosed in the Operating Statement and the Balance Sheet are identical to the Corporation's program. Accordingly, a separate supplementary financial statements service group statement has not been prepared.

The Corporation is a not for profit (as profit is not its principal objective) and has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

This financial report for the year ended 30 June 2009 has been authorised for issue by the Board of the Small Business Development Corporation of New South Wales on 20th October 2009.

### (b) Basis of preparation

The Corporation's financial report is a general purpose financial report which has been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and Regulations; and
- the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial report.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

### (c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

### (d) Administered support

The Department of State and Regional Development is responsible for administering the *Small Business Development Corporation Act 1984*. The functions and activities of the Corporation are considered to be an integral part of the Department's core small business portfolio activities and is not an entity that operates independently to the Department.

### (e) Insurance

The Corporation's insurance activities are included in the Department of State and Regional Development's insurance coverage conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies.

### (f) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

Contributions from other bodies

Contributions from other bodies (including grants and donations) are generally recognised as income when the Corporation obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.

### (g) Grants, subsidies and industry assistance

Payments for grants, subsidies and industry assistance are expensed at the time the Corporation becomes liable to make the payment. The approval of the grant, subsidy or assistance may cover a number of years, and it is not considered that a liability arises until conditions specified in the approval have been met and a claim for payment has been received.

### (h) Payables

These amounts represent liabilities for goods and services provided to the Corporation and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

**(i) New Australian Accounting Standards issued but not effective**

At the reporting date, a number of Accounting Standards adopted by the Australian Accounting Standards Board have been issued but are not yet operative and have not been early adopted by the Department. NSW Treasury mandate (TC09/03) precludes early adoption of these accounting standards.

AASB 3 (March 2008), AASB 127 and AASB 2008-3 regarding business combinations

AASB 8 and AASB 2007-3 regarding operating segments

AASB 101 (Sept 2007), AASB 2007-8 and AASB 2007-10 regarding presentation of financial statements

AASB 123 (June 2007) and AASB 2007-6 regarding borrowing costs

AASB 1039 regarding concise financial reports

AASB 2008-1 regarding share based payments

AASB 2008-2 regarding puttable financial instruments

In the period of initial application, the Corporation does not anticipate any material impact on the figures reported in the financial statements.

**(j) Going concern**

The Corporation is reliant on the continued ongoing financial support of the Department of State and Regional Development. The Department will continue to provide ongoing financial support for at least the next 12 months and into the foreseeable future. The Corporation has prepared its financial report on a going concern basis based on this ongoing financial support.

**2 Expenses Excluding Losses**

	2009 \$'000	2008 \$'000
<b>(a) Other operating expenses include the following:</b>		
Auditor's remuneration for audit of the financial report	5	5
Administration expenses	2	5
Contractors	8	25
Publications and advertising	15	3
Travel expenses	13	5
Printing	4	21
Meeting fees and expenses	11	9
Other expenses	2	3
	<b>60</b>	<b>76</b>

**3 Revenue****(a) Grants and contributions**

Department of State and Regional Development	63	73
	<b>63</b>	<b>73</b>

**4 Service Group of the Corporation**

The Corporation operates from within the Department of State and Regional Development's service group 49.3 – Small Business, as disclosed in the 2008-2009 NSW Treasury Budget Papers

**Service Group 49.3 – Small Business**

Objective: Encouraging growth of the small business sector by reducing red tape, promoting innovation and expanding sales into international markets.



## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### 5 Current Assets – Cash and Cash Equivalents

The Corporation did not hold cash or cash equivalents as at 30 June 2009 (30 June 2008 Nil).

The Corporation's transactions were operated through the Department of State and Regional Development's bank account.

### 6 Current Liabilities – Payables

	2009 \$'000	2008 \$'000
Creditors	5	8
	5	8

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in Note 11.

### 7 Changes in Equity

Balance at the beginning of the financial year	(8)	(5)
<b>Changes in equity – other than transactions with owners as owners</b>		
Surplus / (deficit) for the year	3	(3)
<b>Total</b>	<b>3</b>	<b>(3)</b>
<b>Balance at the end of the financial year</b>	<b>(5)</b>	<b>(8)</b>

### 8 Commitments for Expenditure

Expenditure commitments as at 30 June 2009 for goods and services \$ Nil (30 June 2008 \$ Nil).

### 9 Contingent Liabilities and Contingent Assets

The Corporation is not aware of any contingent liabilities and / or contingent assets associated with its operations.

### 10 Budget Review

#### Net cost of services

The actual Net Cost of Services was less than budget by \$3,000. Actual operating expenses were greater than budget by \$10,000 due to greater than budgeted expenditure on the Corporation's projects and activities. Significant items of expenditure included publications and advertising, travel and meeting fee expenditure. Actual revenue, contribution from the Department of State and Regional Development, was greater than budget by \$13,000 to meet the increased Corporation expenditure.

#### Assets and liabilities

Net assets were in line with budget.

#### Cash flows

Net cash flows from operating activities was nil.

## 11 Financial Instruments

The Corporation's principal financial instruments are cash deposits held within the NSW Treasury Banking System, short term receivables and payables. These instruments expose the Corporation primarily to interest rate risk on cash balances held within the NSW Treasury Banking system and credit risk on short term receivables. The Corporation does not enter into or trade financial instruments for speculative purposes and does not use financial derivatives.

### (a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount 2009 \$'000	Carrying Amount 2008 \$'000
Class				
Payables (Note 1)	6	Financial liabilities measured at amortised cost	5	8

Note 1. Excludes statutory payables and unearned revenue (i.e. not within scope of ASSB 7).

### (b) Credit Risk

Credit risk arises when there is the possibility of the Corporation's debtors defaulting on their contractual obligations, resulting in a financial loss to the Corporation. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

### (c) Liquidity risk

Liquidity risk is the risk that the Corporation will be unable to meet its payment obligations when they fall due. The Corporation continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was applied during the year (2008 Nil).

The table below summarises the maturity profile of the Corporation's financial liabilities, together with the interest rate exposure.

### Maturity Analysis and interest rate exposure of financial liabilities

		\$'000 Maturity Dates	
	Nominal Amount	< 1 yr	1–5 yrs
<b>2009</b>			
<i>Payables:</i>			
Creditors	5	5	–
	5	5	–
<b>2008</b>			
<i>Payables:</i>			
Creditors	8	8	–
	8	8	–

## Notes to the financial statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

### (d) Fair Value

The carrying value of receivables less any impairment provision and payables is a reasonable approximation of their fair value due to their short term nature.

	Carrying amount 2009 \$'000	Fair value 2009 \$'000	Carrying amount 2008 \$'000	Fair value 2008 \$'000
<b>Financial liabilities</b>				
Creditors	5	5	8	8

## 12 After balance date events

There are no events subsequent to balance date which affect the financial information in the financial report.

The Department of State and Regional Development was responsible for administering the activities of the Corporation in accordance with the *Small Business Development Corporation Act, 1984* up until 24 July 2009. Following the signing of an Administrative Changes Order, the Public Sector Employment and Management (Departmental Amalgamations) Order 2009 on 27 July 2009, the Department of State and Regional Development was abolished and all branches of the former Department were transferred to the newly established Department of Industry and Investment, to take effect from 27 July 2009.

End of audited financial statements



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## Appendix 1

### Engagement of consultants

#### CONSULTANTS EQUAL TO OR MORE THAN \$30,000

Category and Name	Amount (\$)	Purpose
<b>Management Services</b>		
Australian Market Research P/L	36,300	Annual client feedback survey
Corelli Consulting	81,625	Triennial review of Medical Research Support Program effectiveness and criteria
Department of Premier and Cabinet	131,250	Engagement of Deloitte via the Department of Premier and Cabinet to deliver the tourism strategy
Futurestep (Australia) P/L	106,871	Senior executive service recruitment
Global Brands Group (Australasia) P/L	175,000	Provided Project Director responsible for the delivery of the Brand Sydney Project – a private/public sector project
Helios Partners, LLC	50,000	Provided high-level expert advice to the Brand Sydney Steering Committee Chair and the project team, from a global perspective
John Blackburn AO	68,500	Provide strategic advice and support to attract defence-related investment and industry opportunities to the State
KPMG	36,364	Stocktake of direct and indirect funding and other support provided to universities in NSW by State Government agencies 2006-09
KPMG	135,000	Preparation of cost benefit analysis on proposals to change the <i>Retail Leases Act 1994</i>
LEK Consulting P/L	30,000	Advice on developing the architecture of the NSW Tourism Industry Plan
LEK Consulting P/L	30,000	Review of investment opportunities in healthcare and community services
Mercury Advisory	35,250	Conduct stakeholder forums, design intellectual property management framework and report on NSW medical research hubs
Portland Group P/L	253,762	Comprehensive review of major supply chains in New South Wales
Singleton, Ogilvy & Mather (Sydney) P/L	498,583	Engaged to work with Project Director to undertake research, brand strategy development and creative services for the Brand Sydney Project – a public/private sector project
The IMIA Centre for Strategic Business Studies P/L	39,402	Study into opportunities for NSW manufacturing – 2009 and beyond
Tourism & Hospitality Services Aust P/L	37,013	Engaged to work with Project Director to deliver the Brand Sydney Project – a private/public sector project
Uniquist P/L	44,000	Development of best practice governance principles for medical research institutes in NSW generally and a proposed model for the independent governance of the Westmead Millennium Institute
Watermark Search International P/L	50,215	Senior executive service recruitment
<b>Environmental</b>		
Rare Consulting P/L	143,536	Preparation of report into low carbon innovation
<b>Training</b>		
University of NSW	30,000	Delivery of change management program for the department's management group
<b>Total Over \$30,000</b>	<b>2,012,671</b>	



### CONSULTANTS LESS THAN \$30,000

During the year, 72 other consultancies costing less than \$30,000 were engaged in the following areas:

Category and Name	Amount (\$)
Information technology	34,420
Legal	25,502
Management services	688,878
Organisational review	40,401
Training	44,854
<b>Total under \$30,000</b>	<b>834,055</b>
<b>Total consultancies</b>	<b>2,846,726</b>

## Appendix 2

### Consumer response

All requests made to the department for information or assistance are met directly and promptly or are referred to the most appropriate officer as required. The department's stakeholders and the community have a number of avenues available through which they can offer feedback regarding the level of consumer response and customer service including contacting the department's principal office or regional offices or by providing comments in writing or by email.

The department received two complaints during the reporting period. These complaints were resolved promptly and in accordance with the department's complaint handling procedures. The department remains committed to providing professional, courteous and prompt assistance to its clients and the public in general.

The department delivers a range of business programs, which are evaluated by the participants and the feedback provided is utilised to adjust the programs if required. The majority of the feedback provided by the participants is of a complimentary nature.

The department's annual client survey was conducted in October 2008, with a sample of 943 clients who had received assistance during the financial year. The overall satisfaction with assistance provided by the department was high (86 percent). The satisfaction with the level of knowledge and service of the department's staff was also high (88 percent), as reported in the survey.

## Appendix 3

### Controlled entities

The department administers, but does not control, four entities as prescribed under Section 45A (1A) of the *Public Finance and Audit Act 1983*.

### MINISTERIAL CORPORATION

#### FOR INDUSTRY

The Ministerial Corporation for Industry is established under the *State Development and Industries Assistance Act 1966* No 10.

The corporation's functions are to promote, encourage and stimulate the:

- establishment, expansion or development of industries
- carrying out, by business undertakings and prescribed institutions, of projects that are likely to assist the establishment, expansion or development of industries.

The corporation acts as a vehicle for providing financial assistance to investors. Projects are reviewed on a case-by-case basis following rigorous analysis of their projected impact on the New South Wales economy, particularly in relation to new technologies and skills. The financial statements for the corporation are included in this report on page 74.

### NSW INNOVATION COUNCIL

The Innovation Council was established in November 2007 under the *NSW Innovation Council Act 1996*. The general function of the council is to lead the implementation of the New South Wales Government's approach to innovation in industry.

The council advises the government on policies and strategies, which create an environment where it is easier for businesses to compete, improve the innovative capacity of the New South Wales private sector, help increase investment and build stronger rural and regional economies.

The council comprises of high level representatives from private sector organisations, New South Wales Government agencies and research organisations. Current members are:

- Mr Steven Harker (Chair) – Managing Director and CEO, Morgan Stanley Australia
- Mr Barry Buffier – Director General, Department of State and Regional Development
- Mr Michael Coutts-Trotter – Director General, Department of Education and Training, and Managing Director, TAFE NSW
- Mr Peter Duncan – Deputy Director General, Department of Premier and Cabinet
- Ms Catherine Livingstone AO – Chair, Telstra and Director, Macquarie Group Limited
- Mr Philip Mussared – Deputy Secretary, Operations, NSW Treasury
- Ms Mary O'Kane – NSW Chief Scientist and Scientific Engineer
- Dr David Skellern – CEO, National ICT Australia
- Mr Greg Smith – Director, Public Affairs, Animal Logic
- Dr Jonathan West – Director, Australian Innovation Research Centre.

### SMALL BUSINESS DEVELOPMENT CORPORATION OF NSW

The Small Business Development Corporation is a statutory advisory body appointed by the Governor and recommended by the Minister. The corporation is established under the *Small Business Development Corporation Act 1984*.

The corporation's primary objectives are to:

- investigate matters relating to the small business sector of the economy as the Minister may refer to the corporation
- exercise functions relating to the development of the small business sector of the economy as the Minister may confer
- investigate any other matters relating to the small business sector of the economy
- conduct enquiries into issues affecting small business.

The corporation's membership comprises of 13 members. Its membership is drawn from small business and includes the department's Director General.

In 2008-09, the members were:

- Ms Michele Greig (Chair) – Director, MBC Employment Services
- Mr Roger Bailey – Managing Director, Bailey Interiors Pty Ltd
- Dr Lisa Barnes – Lecturer, Business Law, University of Newcastle
- Mr Andrew Boog – Partner, Austen Brown Boog
- Ms Leigh Bryant – Director, Scorpion International Freight Services Pty Ltd
- Mr Barry Buffier – Director General, Department of State and Regional Development
- Mr David Caruso – Managing Director, The Rental Depot
- Mr Alan Eldridge – Managing Director, Eldridge Group of Companies
- Mr Greg Farmilo – Managing Director, Beyond Financial Group Pty Ltd
- Mr Robert McCotter – Commercial Director, New Macey Pty Limited
- Mr Frank Oliveri – Director, Home and Kitchen
- Ms Julie Staples – Partner, Tamworth Tax Team
- Mr Frank Zumbo – Associate Professor, Business Law and Taxation, University of NSW.

Note: Mr Barry Buffier, Director General of the department and Ms Leigh Bryant, Director of Scorpion International Freight Services Pty Ltd were appointed to the Corporation on 5 March 2008. All other members were appointed to the Corporation on 5 September 2007. Appointments are for a five-year term.

#### TOURISM NSW BOARD AND MANAGEMENT

Under the *Tourism New South Wales Act 1984*, the board is appointed by the Governor and is accountable to the Minister for Tourism.

The board advises the Minister for Tourism. The Director General, Department of State and Regional Development, and Executive Director and General Manager Tourism NSW, regularly brief the board on aspects of state development and tourism activities and performance, and seek guidance on policy and operational matters. The tourism executive is updated by the Executive Director and General Manager on board recommendations.

The following members were appointed in February 2009: Peter Doyle, Julian Ledger, Stephen Lewis and Luisa Pastrello. The terms of the following Board members expired during 2008-09: Ruth Fagan, Nicholas Papallo OAM, John Thorpe AM and Helen Wong. Following the resignation of John O'Neill as Executive Director and General Manager, Tourism NSW in June 2008, Lyndel Gray joined the board.

In 2008-09, Tourism NSW current board members were:

- Leslie Cassar AM – KSJ M.O.M. (Chair)
- Russell Balding AO – Chief Executive Officer, Sydney Airport Corporation
- Barry Buffier – Director General, State & Regional Development
- Peter Doyle – CEO, 308 Industries
- Ruth Fagan – Owner, Warrengi in Cowra
- Lyndel Gray – Executive Director and General Manager, Tourism NSW
- Philip Helè – Owner, Hunter Resort
- Narendra Kumar – Executive General Manager Regional Airlines, Qantas Airways; Director, Harvey Holidays
- Julian Ledger – Chief Executive Officer, YHA NSW Ltd

- Stephen Lewis – General Manager, Four Seasons Hotel Sydney
- Nicholas Papallo OAM – President, Australian Italian Lawyers Association (NSW); Honorary Trade and Investment Envoy for NSW to Italy; Chairman, Minerals Ministerial Council of NSW
- Luisa Pastrello – Head of Membership Travel Services (Australia/NZ), American Express
- Denis Pierce – Group Managing Director, ATS Pacific
- John Thorpe AM – Owner, Harbord Beach Hotel
- Helen Wong – Owner, Helen Wong's Tours.

## Appendix 4

### Credit card use certification

In accordance with the Treasurer's Direction 205.01, it is certified that credit card usage by all the department's officers during 2008-09 was in accordance with the appropriate Government policy, Premier's memoranda, and Treasurer's direction.

## Appendix 5

### Disability Action Plan

The department's *Disability Action Plan* ensures that the needs of people with disabilities are taken into account in the way about the department conducts its business. During the later part of reporting year the department developed a new *Disability Action Plan* utilising the new guidelines published by the NSW Department of Ageing, Disability and Home Care (Guidelines for Disability Action Planning by New South Wales Government Agencies, which were released in September 2008).

Outcome areas	Actual performance	Comments/highlights regarding performance
Physical access	Establishment of a single reception area for MLC Centre located on Level 47.	Refurbishments were completed and an access audit of the expanded premises was completed to provide access for people with disabilities.
	Ensure conferences funded by the department are held in locations with access for people with disabilities.	Induction loop installed in conference/meeting facilities for people with hearing impairments.
	Ensure changes are made to the premises to meet public and employee needs as required.	The department's funding guidelines have been updated to include this requirement.
Promoting positive community attitudes	Departmental publications to profile business people with disabilities.	Articles included in departmental publications.
Employment and training of staff	Ongoing training programs for recruitment panel members develop an awareness of merit based selection principles.	Recruitment activities and training reflect merit based principles.
	Provide information to staff about resources available to assist with workplace adjustments for people with disabilities.	Information about how to access resources included in induction, staff and management training programs.
Information about services	Develop policies and procedures that incorporate the needs of staff with disabilities.	Policies and procedures monitored and revised as necessary.
	Monitor the format of guidelines on the department's services to identify barriers in the provision of information for people with disabilities.	All public information is appropriate and accessible to people with disabilities.
Raising awareness	Maintain and promote the Making Connections website as a valuable resource on spinal cord injury and conditions.	Comprehensive information resource for people with spinal cord injury, their families, careers and spinal cord injury researchers and healthcare professionals.
	Provide a grant and in-kind support to the Australasian Spinal Cord Injury Network (ASCIN) to facilitate its establishment.	The Mission of ASCIN is to advance treatments for spinal cord injury and disease by promoting excellence in research and clinical practice through communication, collaboration and capacity building.

## Appendix 6

### Equal employment opportunity

The department is committed to implementing policies and practices, which meet standards of best practice and legislative requirements in terms of *Equal Employment Opportunity* (EEO).

Major EEO outcomes for the year were as follows:

- finalised and commenced implementation of the department's EEO Management Plan 2008–11
- reviewed and updated the Recruitment and Selection Training Program to heighten awareness of EEO issues and merit based principles
- conducted a workshop on flexible work practices for managers and staff

- promoted the Childcare and Eldercare Toolkits through a variety of methods including newsletters, emails and intranet
- reviewed the range of work and family initiatives which include flexible work options, access to appropriate facilities, subscription to child/eldercare resource kit, subscription to an advisory/referral service and employer sponsored child care
- provided information to staff through induction and training programs about resources available to assist with workplace adjustments for people with disabilities
- published a monthly HR Newsletter for communicating information to staff about key HR issues, programs and initiatives
- promoted the E-Mentoring Program to staff through a variety of methods including newsletters and emails

- maintained membership with Diversity NSW as means of exchanging information and enhancing our EEO initiatives
- supported International Women's Day, by sponsoring a corporate table at the UNIFEM Breakfast
- participated in the 'Making It Your Business' workshops conducted for NSW public sector agencies
- promoted the department as an EEO employer, through advertising and promotional material.

Trends in the representation and distribution of EEO groups are shown in the following tables.

## A. TRENDS IN THE REPRESENTATION OF EEO TARGET GROUPS

EEO Target Group	% of Total Staff					
	Benchmark or Target	2005	2006	2007	2008	2009
Women	50	52	63	64	62	63
Aboriginal people and Torres Strait Islanders	2	1.9	1.2	1.4	1.2	1.3
People whose first language was not English	19	18	16	12	11	13
People with a disability	12	5	5	3	3	2
People with a disability requiring work-related adjustment	7	0.5	1.1	0.6	0.3	0.6

## B. TRENDS IN THE DISTRIBUTION OF EEO GROUPS

EEO Target Group	% of Total Staff					
	Benchmark or Target	2005	2006	2007	2008	2009
Women	100	87	84	80	87	87
Aboriginal people and Torres Strait Islanders	100	n/a	n/a	n/a	n/a	n/a
People whose first language was not English	100	96	92	97	96	97
People with a disability	100	n/a	101	n/a	n/a	n/a
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a	n/a	n/a

## Notes

- Staff numbers are as at 30 June 2009
- Excludes casual staff
- A distribution index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The distribution index is automatically calculated by the software provided by the Office of the Director of Equal Opportunity in Public Employment (ODEOPE)
- The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

## Planned Activities for 2009–10

## GENERAL

- include EEO and diversity management as a key result area of the department's strategic planning
- review the department's Induction and Performance Development Program to enhance awareness of EEO issues, policies and programs
- undertake audit of EEO data and resend EEO Data Collection Survey to all staff
- review New Starter Pack and ensure clear instructions are provided for the collection of EEO data
- finalise policy for managing flexible work practices and provide training to managers and staff
- analyse Workforce Profile Report and HRMIS reports to identify gaps in achievement of benchmark targets

- analyse the department's Employee Assistance Program report data and review formal grievances lodged
- include EEO as a standing agenda item at Joint Consultative Committee meetings.

## WOMEN

- nominate staff to participate in Springboard workshops
- research and develop a proposal for the establishment of a Women's Forum within the department.

## ABORIGINAL AND TORRES STRAIT ISLANDER

- implement Making It Our Business strategies to improve recruitment, development and retention of Aboriginal and Torres Strait Islander people.

- review workforce profile data to identify appropriate positions that may be used to create identified positions.

## PEOPLE WHOSE FIRST LANGUAGE IS NOT ENGLISH

- conduct Cultural and Disability Awareness training for staff.

## PEOPLE WITH A DISABILITY

- review recruitment and selection training to ensure staff are educated on the recruitment of people with a disability and can implement strategies to assist with recruitment and selection of these people
- develop procedures for inducting people with a disability into the workplace and establish methods for assessing the needs of these people and providing appropriate modifications.

## Appendix 7

### Ethnic affairs priority statement

The department undertook a range of initiatives in supporting the Ethnic Affairs Priorities Statement.

#### COMMUNICATIONS

Throughout the year the department has developed integrated strategic marketing initiatives promoting business programs and services to the ethnic or Culturally and Linguistically Diverse (CALD) audiences in New South Wales, Australia and internationally. Using a mix of communication channels and collateral, the department produced materials to support various campaigns.

Research for targeting ethnic communities was based on 2001 ABS statistics, in consultation with relevant divisions about their client base and advice from the department's media planning agency. The major campaigns are outlined below:

#### ➤ Small Business September 2008

A fully integrated branded campaign promoting Small Business September 2008 events aimed at small to medium sized businesses in New South Wales. The events were designed to assist business owners and operators enhance their business skills and knowledge, increase their network of contacts and gain market intelligence to help grow their businesses.

The ethnic media schedule was based upon the location of the events and the communities residing in those areas. The advertisements were translated. Targeted print media included: An Nahar, Sing Tao, Dan Viet, Koori Mail, La Fiamma and The Greek Herald.

#### ➤ Home Based Business Week 2009

A fully integrated campaign promoting a week of events targeting home based business owners across New South Wales. The ethnic media schedule included the following print media: An Nahar, Al furat, Sing Tao, The Indian Link and Chieu Duong.

#### ➤ Business Flyers

'Doing Business in NSW' was updated and translated into simplified Chinese providing information on New South Wales key sectors and

activities. The English and Chinese versions of the publication have been placed on the department's website and are distributed at national and international trade expos.

#### ➤ Advance Asia 50 Summit in China

A promotional video showcasing NSW strengths as great place to do business was developed and translated into Chinese for this high profile networking event in Shanghai. A promotional flyer highlighting NSW's business capabilities was also developed and translated into Chinese for the event.

#### ➤ Small Business Division – general activities

The department updated a range of small business factsheets, seven of which were translated into seven community languages (Arabic, Chinese, Italian, Greek, Vietnamese, Korean and Turkish). These brochures were distributed through the department's ethnic community business networks and Business Advisory Services (BAS) program contractors. The factsheets were accessible on the department's small business website and were sent to members of the community on request.

The department worked with a number of international Chamber of Commerce organisations to ensure business owners of all nationalities are serviced. A highlight during 2008-09 was the involvement with the Australia-Israel Chamber of Commerce who facilitated a Stepping Up Program, in which 16 companies participated in business growth activities.

Business Advisory Services, located in areas with a high proportion of culturally and linguistically diverse business owner/operators, deliver special information services for particular language groups on a demand-driven basis. For example, the Chatswood Business Advisory Service (BAS) holds regular briefings with northern suburbs based migrant groups such as MOSAIC (Willoughby Council), Lower North Shore Multicultural Network and the Australia-Chinese Business Development Association. They also attend regular meetings with NSW Adult Migrant English Service centres to highlight the BAS. The Northern Sydney Business Advisory Service runs

regular Import Export Workshops in conjunction with Hornsby Council with participants drawn from the migrant population of the Hornsby area.

In addition, the Northern Sydney BAS also has regular contact with the following ethnic organisations:

- Friendly Aliens Multicultural Association (Manly)
- Ethnic services through Willoughby Council, Chatswood
- Seva International Inc, St Ives
- Armenian General Benevolent Union, Neutral Bay
- Community Settlement Service Scheme, Crows Nest.

#### NSW ASIA BUSINESS COUNCIL (NSWABC)

The NSW-Asia Business Council plays a valuable role in giving support and direction to New South Wales Government activities fostering closer trade and investment relations with Asian economies. Its 20 members bring strong linkages to key markets such in Asia, as well as the State's ethnic business communities.

The council undertook an investment visit to Wollongong in August 2008. The visiting group consisted of NSWABC members, the Australian-Asian business community and the Asian media. The focus of the visit was to showcase the region's potential as a destination for trade and investment in research, education, innovation, tourism and technology. The council hosted the 2008 Premier's Asia Business Dinner in October 2008, which was the council's showcase event for 2008-09, attracting 400 guests directly involved with trade and investment between New South Wales and Asian economies. In June 2009, the council hosted a networking event for bilateral business chambers representing Asian markets, at which the Minister for State Development spoke about the NSW Government's Asian engagement strategy.

#### TOURISM NSW

The department's Tourism NSW division, is involved in initiatives to improve visitor safety awareness through the National Visitor Safety Working Group.



The agency contributed towards the development of a brochure entitled 'Travel Safely in Australia', which is translated into seven languages: French, German, Italian, Spanish, Japanese, Chinese and Korean and made available at Sydney International Airport and via the Tourism NSW corporate website.

The division also promoted cultural events to a domestic audience as part of the Sydney brand campaigns and these included:

- Taisho Chic Exhibition, Art Gallery of NSW
- Sydney Film Festival (World Films)
- Chinese New Year Festival
- Sydney Italian Festival
- Primo Italian Festival
- Gourmet Safari Tours within the multicultural communities of Auburn, Cabramatta, Marrickville, Punchbowl, Haberfield, Earlwood and Bankstown
- Sydney Eat Streets including Stanley St, East Sydney Norton St, Leichhardt, Church St and Cabramatta
- Asian Fusion Dining in Sydney.

In 2008–09, Tourism NSW continued to develop and support its existing multilingual consumer websites in seven languages other than English, namely Traditional and Simplified Chinese, Japanese, Korean, Italian, French and German to promote Sydney and New South Wales in key international markets.

## Appendix 8

### Freedom of information

The following information is set out in accordance with the format prescribed in the Premier's Department Freedom of Information (FOI) Procedure Manual, 1994.

#### STATEMENT OF AFFAIRS

Under the *Freedom of Information Act 1989*, each agency is required to publish an annual Statement of Affairs. The statement describes the structure and functions of the agency and lists the categories of documents held by the agency. It also sets out how to obtain documents that are eligible for public scrutiny under legislation. The following information satisfies the legislative requirements of the Act.

#### STRUCTURE AND FUNCTIONS

The department was created in December 1995 following the amalgamation of the Department of State Development and the Department of Business and Regional Development.

On 23 February 2006, the Government's Economic and Financial Statement transferred Tourism New South Wales and the Tourism Industry Division of the former Department of Tourism, Sport and Recreation and the Ministry of Science and Medical Research (now the Office for Science and Medical Research) to the Department of State and Regional Development.

Tourism NSW provides strategic direction and leadership to the NSW tourism industry to support the development of an appropriate range of tourism infrastructure, products and holiday experiences, to improve the industry's competitiveness and efficiency and to promote sustainable tourism industry growth.

The Office for Science and Medical Research was established to drive growth and innovation in science and medical research to achieve improved economic, technological, health and environmental outcomes for the people of New South Wales.

The department's expanded structure, functions and charter are detailed at the beginning of this report.

#### EFFECT OF FUNCTIONS ON MEMBERS OF THE PUBLIC

Much of the department's work had an indirect impact on the general public. By encouraging investment, exports, industry development, tourism and science and medical research activities, sustainable jobs were created for the people of New South Wales.

The department's target markets are the business, tourism and science and medical community, which it had a direct affect by:

- assisting major commercial projects through the approvals process and providing key business information and statistics and assisting existing businesses with projected expansion and new domestic projects
- providing advice and access to government purchasing, encouraging the development of exports and the provision of support for selected international trade exhibitions

- developing and implementing strategic frameworks for the State's research sector
- managing and administering medical research grants programs and
- promoting New South Wales destinations to international and domestic visitors.

#### ARRANGEMENTS FOR PUBLIC PARTICIPATION IN POLICY FORMULATION

The department invites public participation in policy formulation through private sector membership on advisory committees and development boards including the Small Business Development Corporation, Regional Development Boards, the Tourism NSW Board, business forums, research and other non-profit organisations.

#### CATEGORIES OF DOCUMENTS HELD

In accordance with the *Freedom of Information Act 1989*, the department holds the following categories of documents:

- correspondence with other governments, local councils, community groups, the private sector
- briefing papers and advice to Ministers, departments and authorities
- plans, sketches, diagrams and photographs relating to projects and programs
- overseas travel arrangements
- consultants' reports
- documents relating to committees serviced by the department
- internal administration, including recruitment and accommodation, staff and establishment, financial and expenditure, management and audit, records management
- itineraries and programs for visiting trade delegations and other designated significant visitors.

#### SPECIFIC DOCUMENTS AND PUBLICATIONS

The department maintains a number of policy documents and produces a number of publications relating to its functional role. A full list of documents published is listed in this report. Copies can be obtained free of charge by contacting:

The Communications Branch  
Industry and Investment  
Level 49, MLC Centre  
19 Martin Place  
SYDNEY NSW 2001  
Tel: (02) 9338 6877  
Email: [businessweb@business.nsw.gov.au](mailto:businessweb@business.nsw.gov.au)  
Hours: Monday–Friday 9.00am–5.00pm

### ARCHIVES

Out of date or inactive files, as classified by the department's disposal schedule (approved by the State Records Authority) in accordance with the *State Records Act 1998*, are stored at the Government's record repository in Kingswood, Sydney.

### COMPUTER-BASED INFORMATION

The department maintains a number of websites and related information tools that provide up to date business information to the public, see page 130.

### ACCESS ARRANGEMENTS, PROCEDURES AND POINTS OF CONTACT

An application and \$30 fee should accompany requests for access to documents under the *FOI Act*. An application is available from the FOI Coordinator. Upon receipt of a request, the applicant will be advised of the outcome of the application within 21 days, subject to the provisions of the Act.

Requests for access to documents should be made to:

FOI Coordinator  
Industry and Investment  
Level 49  
MLC Centre  
19 Martin Place  
SYDNEY NSW 2001  
Tel: (02) 9338 6877  
Email: [businessweb@business.nsw.gov.au](mailto:businessweb@business.nsw.gov.au)

Rebates of 50 per cent are offered on all charges:

- for pensioners
- for non-profit organisations, and
- where a public interest can be demonstrated.

## FREEDOM OF INFORMATION STATISTICS FOR 2008–09

### Section A

#### NUMBERS OF NEW FOI REQUESTS

FOI Requests	Personal		Other		Total	
	07/08	08/09	07/08	08/09	07/08	08/09
A1 New (including transferred in)	–	–	8	25	8	26
A2 Brought forward	–	–	1	1	1	1
A3 Total to be processed	–	–	9	26	9	26
A4 Completed	–	–	8	24	8	24
A5 Transferred out	–	–	–	1	–	1
A6 Withdrawn	–	–	–	–	–	–
A7 Total processed	–	–	8	25	8	25
A8 Unfinished	–	–	1	1	1	1

### Section B

#### WHAT HAPPENED TO COMPLETED REQUESTS?

Result of FOI Request	Personal	Other
B1 Granted in full	–	2
B2 Granted in part	–	15
B3 Refused	–	7
B4 Deferred	–	–
B5 Completed	–	24

### Section C

#### MINISTERIAL CERTIFICATES

	Total
C1 Ministerial Certificates issued	–

### Section D

#### FORMAL CONSULTATIONS

Result of FOI Request	Issued	Total
D1 Number of requests requiring formal consultation(s)	–	7

### Section E

#### AMENDMENT OF PERSONAL RECORDS

Result of Amendment Request	Other
E1 Result of amendment – agreed	–
E2 Result of amendment – refused	–
E3 Total	–

## Section F

### MINISTERIAL CERTIFICATES

	Total
F3 Number of requests for notation	—

## Section G

**FOI requests granted in part or refused – Basis of disallowing access –**  
**Number of times each reason cited in relation to completed requests granted in part or refused.**

Basis of disallowing or restricting access	Personal	Other
G1 Section 19 (application incomplete, wrongly directed)	—	—
G2 Section 22 (deposit not paid)	—	3
G3 Section 25 (1) (a1) (diversion of resources)	—	3
G4 Section 25 (1) (a) (exempt)	—	13
G5 Section 25 (1) (b), (c), (d) (otherwise available)	—	—
G6 Section 28 (1) (b) (documents not held)	—	3
G7 Section 24 (2) – deemed refused, over 21 days	—	—
G8 Section 31 (4) (released to Medical Practitioner)	—	—
<b>G9 Totals</b>	<b>—</b>	<b>22</b>

## Section H

**Costs and fees of requests processed – does not include costs and fees for unfinished requests.**  
**(Results for these are included in Line A8).**

Basis of disallowing or restricting access	Assessed costs (\$)	FOI fees received (\$)
H1 All completed requests	—	705.00

## Section I

### Discounts allowed

Type of discount allowed	Personal	Other
I1 Public Interest	—	1
I2 Financial Hardship – Pensioner/Child	—	—
I3 Financial Hardship – Non-profit organisation	—	—
I4 Totals	—	1
I5 Significant correction of personal records	—	—

Note: Except for item I5, items I1, I2, I3 and I4 refer to requests processed as recorded in A7.

For I5, however, show the actual number of requests for correction of records processed during the period.

## Section J

### Days to process – calendar days

Elapsed Time	Personal	Other
J1 0–21 days	—	8
J2 22–35 days	—	11
J3 Over 35 days	—	5
<b>J4 Totals</b>	<b>—</b>	<b>24</b>

## Section K

### Processing time – (A4) by hours taken to process

Processing Hours	Personal	Other
K1 0–10 hrs	–	7
K2 11–20 hrs	–	10
K3 21–40 hrs	–	6
K4 Over 40 hrs	–	2
<b>K5 Totals</b>	–	<b>25</b>

## Section L

### Reviews and appeals – number finalised during the period

L1 Number of internal reviews finalised	–
L2 Number of Ombudsman reviews finalised	–
L3 Number of Administrative Decisions Tribunal appeals finalised	–

### DETAILS OF INTERNAL REVIEW RESULTS – IN RELATION TO INTERNAL REVIEWS FINALISED DURING THE PERIOD

Basis of Internal Review	Personal		Other	
	Upheld *	Varied *	Upheld *	Varied *
L4 Access refused	–	–	–	–
L5 Deferred	–	–	–	–
L6 Exempt matter	–	–	–	–
L7 Unreasonable charges	–	–	–	–
L8 Charge unreasonably incurred	–	–	–	–
L9 Amendment refused	–	–	–	–
<b>L10 Totals</b>	–	–	–	–

\* Relates to whether or not the original agency decision was upheld or varied by the internal review.

## Appendix 9

### Sustainability and environmental performance

The NSW Government Sustainability Policy supersedes the Energy Management Policy and encapsulates a broader range of sustainability issues including: water and energy use, greenhouse gas emissions, waste and fleet management and purchasing.

The department is aware of and supports the New South Wales Government's commitment of becoming carbon neutral by 2020. In complying with the policy, strategies are being developed and constantly reviewed to ensure efficiencies wherever possible.

#### ENERGY MANAGEMENT

In line with the Sustainability Policy the department intends to rate the environmental performance of its Sydney Headquarters (MLC Centre) to the National Australian Built Environment Rating Scheme (NABERS) on a 1-5 star scale. In 2006, when the premises were constructed, the design was based on achieving a 4.5 star energy rating under the Australian Building Greenhouse Rating Scheme (ABGR). This NABERS rating will determine whether or not the design has met the proposed performance rating and if not, strategies will be adopted to increase the efficiency of the premises.

Some energy consumption initiatives implemented during the reporting year included:

- the replacement of all fluorescent tubes with energy efficient tubes in the Harrington Street premises
- reduction of the number of personal printers and replacement with common use energy efficient multi-function devices.

Energy consumption by the department has increased only marginally over the last 12 months as indicated in the table below.

	Units	2007-08		2008-09	
		Energy Use	CO <sub>2</sub> tonnes	Energy Use	CO <sub>2</sub> tonnes
Electricity	gigajoules (GJ)	5123	233	5448	256
Green	gigajoules (GJ)	(299)	(12)	(296)	(14)
Motor Vehicle Petrol	Litres	114224		86260	
Motor Vehicle LPG	Litres	2924		2354	
Motor Vehicles E10	Litres	8290		36985	
<b>TOTAL</b>	<b>gigajoules GJ</b>	9486		9725	
<b>TOTAL</b>	<b>tonnes CO2</b>		1.767		1.844

### Motor Vehicle Fleet

The department has been continuously monitoring its fleet mix and utilisation rates and has reduced the number of vehicles in the fleet by 8 percent. While this reduction occurred in the final quarter of the reporting period the full impact on vehicular greenhouse gas emissions and air quality will not be known until the next reporting period, June 2010.

Consistent with NSW Clean Car Benchmarks during the reporting period the department operated two petrol/ electric hybrid fuel technology vehicles and increased the purchase of E10 blends (or other alternative fuels) by more than 400 percent. Along with the replacement program of vehicles with a greater than or equivalent Environment Performance Score (EPS) the department achieved the previously mandated 12 out

of 20 Environmental Performance Score (2008) and is working towards the new targets which have not officially been released.



## Waste management and purchasing

The department continued to educate and reinforce to staff the benefits of resource recovery, waste management and recycling. Staff were encouraged wherever possible to purchase items that contained recycled content, use online ordering (Smartbuy and eProcurement), print brochures and other collateral on recycled content paper and dispose of surplus or technologically obsolete items via alternative means including recycling to community groups and taking advantage of the "take back" scheme offered by State Government contracted suppliers.

The department completed its bi-annual Waste Assessment & Waste Recycling audit in accordance with government policy. The purpose of this audit was

to assess the main four waste streams, identify opportunities for waste reduction and compare performance against 2007 audit. The same two Sydney CBD locations were used in the 2009 audit to ensure continuity of comparables.

The audit identified that the current overall recovery rate (items actually sent to recycle centres) for the department across all streams is 73.1 percent. This is a 2 percent improvement on the 2007 audit. The New South Wales Government's Waste & Resource Recovery Strategy target is to achieve a 63 percent diversion of commercial and industrial waste by 2014. Based on the current year audit, the department is on track to assist government meeting this target.

Results of the audit identified that the department performed better than the New South Wales agency average in relation to:

- recycling paper & cardboard material: Department of State and Regional Development = 86 percent vs Average = 79 percent
- recycling co-mingled recyclable material: Department of State and Regional Development = 86 percent vs Average = 85 percent.

Areas for improvement identified include the need for double sided printing, purchasing of "generic" brand re-manufactured toner cartridges and, increasing the number of and type of co-mingled recycling bins.

The table below tracks the department's progress in reducing waste sent to landfill.

		2006–07		2007–08		2008–09	
	Units	Count	Recycled (%)	Count	Recycled (%)	Count	Recycled (%)
Toner cartridges purchased	each	472	100	540	100	478	100
Paper purchased, produced & distributed	kilograms	30750	–	34530	–	29430	–
General use paper (A4 & A3)	kilograms	21285	99	23527	98	19510	100
Recycled content publications printed	–	–	95	–	100	–	100
MLC Centre waste diverted from landfill*	kilograms	30750	–	34530	–	29430	–

\*In conjunction with other tenants the department contributed to diverting waste from landfill to the various recycling streams.

## Appendix 10

### Grants to non-government community organisations

#### REGIONAL FLAGSHIP EVENTS PROGRAM

The program supports regional events that have the potential to become tourism flagships for the region, building its image and boosting visitation from outside the region. All grants are provided for under the Tourism NSW Growth Program.

Event	Organisation	Amount (\$)
Australian Springtime Flora Festival	Australian Springtime Flora Festival	10,000
Boggabri Drover's Campfire Weekend	Boggabri Lions Club	10,000
Brunswick Heads Kites and Bikes Festival	Brunswick Heads Chamber of Commerce Inc	10,000
Coonamble Rodeo and Campdraft	Coonamble Rodeo Association	10,000
Corowa Festival of Dance	Festival of Dance Management Committee	10,000
Fireside Festival	The Poachers Trail Incorporated Association	10,000
(F.O.O.D) Week	Food of Orange District Incorporated	10,000
Illawarra Folk Festival at Bulli	Illawarra Folk Club Inc	10,000
Ironfest (2nd yr)	Ironfest	20,000
Kiama Jazz and Blues Festival	Kiama Jazz Club	10,000
Kurri Kurri Nostalgia Festival and Cruise (1st yr)	Towns with Heart	20,000
Lake Light Sculpture (1st yr)	Snowy River Arts	20,000
Lightning Ridge Easter Festival	Lighting Ridge Tourism Association	10,000
Lovedale Long Lunch (3rd yr)	Lovedale Vignerons Association	20,000
Old Bar Beach Festival (1st yr)	Old Bar Beach Festival Incorporated	20,000
Opera in the Paddock	Opera North West Ltd	10,000
Red Desert Live	Outback and all that Jazz Incorporated	10,000
Sakura Matsuri (Cherry Blossom Festival)	Cowra Japanese Gardens Australia	10,000
Temora Aviation Museum Flying Weekends	Temora Aviation Museum Incorporated	10,000
The Big Joke Comedy Festival	The Big Joke, operating through Jag Trust	10,000
Tumbafest	Tumbarumba Shire Council	10,000

## REGIONAL TOURISM PARTNERSHIP PROGRAM 2009 – 2011

The *Regional Tourism Investment Program (RTIP)*, administered by Tourism NSW provided funding for Regional Tourism Organisations (RTOs) to market and foster development within their nominated regions. The RTIP was superseded by the *Regional Tourism Partnership Program (RTPP)* from January 2009.

The *RTPP* will provide funding to 13 RTOs and Forum of Regional Tourism Organisations (FORTO). RTOs are identified as:

- Tier One, who receive funding on a dollar for dollar basis for demand building activities, or
- Tier Two, who receive an allocation for capacity building, and demand building activity on a dollar-for-dollar basis.

Regional Tourism Organisation	Grants under RTIP Program (\$)	RTPP Capacity Building Funds (\$)	RTPP Demand Building Funds (\$)	TOTAL (\$)
<b>Tier One</b>				
Central Coast	55,500	0	603,951	659,451
Mid North Coast	70,000	0	383,565	453,565
Blue Mountains	55,500	0	558,297	613,797
<b>Sub Total</b>	<b>181,000</b>	<b>0</b>	<b>1,545,813</b>	<b>1,726,813</b>
<b>Tier Two</b>				
Capital Country	55,500	170,000	50,000	275,500
Central NSW	70,000	85,000	107,000	262,000
New England North West	70,000	170,000	17,985	257,985
Outback	70,000	170,000	135,500	375,500
Riverina	70,000	170,000	35,719	275,719
Northern Rivers	55,500	170,000	138,000	363,500
Snowy Mountains	55,500	170,000	50,000	275,500
Lord Howe	22,500	95,000	20,500	138,000
South Coast	111,000	138,000	90,000	339,000
Hunter	55,500	85,000	65,364	205,864
<b>Sub Total</b>	<b>635,500</b>	<b>1,423,000</b>	<b>710,067</b>	<b>2,768,567</b>
<b>FORTO</b>				<b>237,000</b>
<b>Grand Total</b>	<b>816,500</b>	<b>1,423,000</b>	<b>2,255,880</b>	<b>4,732,380</b>

## Visitor Information Centre Support

Visitor Information Centres and Regional Tourism Organisations that update the State Tourism Data Warehouse via The Connected Program receive a performance-based payment on the number of updates made. A total of \$56,810 (GST excluding) was paid in the 2008-09 financial year for the updating of 5681 product records.

Organisations that received payments were:

Ballina Visitor Information Centre, Balranald Visitor Information Centre, Barrington Tops Gloucester Visitor Centre, Batemans Bay Visitor Information Centre, Bathurst Visitor Centre, Bermagui Visitors Centre, Blue Mountains Tourism, Boorowa Visitors Centre, Broken Hill Visitor Information Centre, Byron Visitor Centre, Casino Visitors Centre, Central Coast Tourism, Clarence River Tourist Association, Coffs Coast Visitor Information Centre, Cooma Visitor Information Centre, Coonabarabran

Visitor Information Centre, Coonamble Visitor Information Centre, Cootamundra Visitor Information Centre, Corowa Visitor Information Centre, Cowra Visitor Information Centre, Destination Albury Wodonga, Dubbo Visitor Information Centre, Dungog Visitor Information Centre, Glen Innes Visitor Information Centre, Goulburn Visitor Information Centre, Great Lakes Visitor Information Centre Forster, Griffith Visitor Information Centre, Gundagai Visitor Information Centre, Hawkesbury Valley Visitor Information Centre, Hay Visitor Information Centre, Hunter Regional Tourism, Inverell Visitor Information Centre, Jerilderie Visitor Information Centre, Kempsey Visitor Information Centre, Kiama Visitor Information Centre, Leeton Visitor Information Centre, Lismore Visitor Information Centre, Lithgow Visitor Information Centre, Lockhart Shire Visitor Centre, Maitland Visitor Centre, Manly Visitor Information Centre, Manning Valley Visitor Information Centre, Moree Visitor Information Centre, Mudgee Visitor Information Centre, Muswellbrook

Visitors Centre, Nambucca Valley Visitor Information Centre, Narrabri Visitor Information Centre, Narrandera Visitor Information Centre, Newcastle Visitor Information Centre, Orange Visitor Information Centre, Parkes Visitor Information Centre, Parramatta Heritage and Visitor Information Centre, Penrith Valley Visitor Information Centre, Port Macquarie Visitor Information Centre, Queanbeyan Visitor Information Centre, Sapphire Coast Visitor Information Centre, Shellharbour Visitor Information Centre, Shoalhaven Visitor Information Centre, Singleton Visitor Information Centre, Southern Highlands Visitor Information Centre, Temora Visitor Information Centre, Tumbarumba Visitors Centre, Tweed & Coolangatta Tourism, Upper Lachlan Tourist Association, Uralla Visitor Information Centre, Wagga Wagga Tourism, Wentworth Shire Visitor Information Centre, Wollongong Visitor Information Centre, Yass Visitor Information Centre, Young Visitor Information Centre.

## BioFirst Award

Innovative and prestigious awards designed to attract leading biotechnology researchers to New South Wales.

Organisation	Project	Amount (\$)
Associate Professor Antony Cooper	Garvan Institute of Medical Research	150,000
Associate Professor Paul Haynes	Macquarie University	150,000
Professor J. Goetz	University of Sydney	100,000

## Life Sciences Research Awards

Innovative and prestigious awards designed to attract outstanding life science research workers, not currently resident in New South Wales, to further their career in New South Wales. Formerly known as BioFirst Awards.

Organisation	Project	Amount (\$)
Dr Darren Saunders	Garvan Institute of Medical Research	100,000
Dr Ian Paulsen	Macquarie University	140,000
Professor Graham Hillis	The George Institute for International Health	150,000
Professor John Hodges	University of NSW	140,000
Professor Wolfgang Weninger	University of Sydney	140,000
Professor Ian Anderson	University of Western Sydney	140,000
Dr. Leslie Weston	Charles Sturt University	140,000

## Medical Research Support Program

The Medical Research Support Program provides essential research infrastructure. This program is designed to reward research excellence, build on and enhance existing research strengths, and promote opportunities for economic gain.

Organisation	Amount (\$)
ANZAC Health & Medical Research Foundation	538,575
Black Dog Research Institute (2009/10)	544,101
Centenary Institute of Cancer Medicine and Cell Biology	951,900
Centre for Vascular Research – University of NSW 09/10	698,505
Children's Cancer Institute Australia	784,900
Children's Medical Research Institute	563,625
Garvan Institute of Medical Research	2,592,675
Hunter Medical Research Institute	1,427,850
Illawarra Health and Medical Research Institute	557,020
Ingham Health Research Institute (2009/10)	465,885
Northern Sydney Central Coast Health (Kolling Institute)	1,102,200
Prince of Wales Medical Research Institute	951,900
Sydney West Area Health Service (Westmead Millennium Institute)	2,204,400
The George Institute for International Health (2009/10)	1,595,104
Victor Chang Cardiac Research Institute	1,002,000
Woolcock Institute of Medical Research	601,200

## NSW/VIC Stem Cell Research Grants

This collaborative grants program is designed to accelerate stem cell research using techniques allowed under changes to the *Human Cloning and Other Prohibited Practices Act 2007*.

Organisation	Amount (\$)
Sydney IVF Limited	125,000

## Other Medical Research

Organisation	Project	Amount (\$)
Cancer Institute NSW	Clinical Trials sponsorship	272,727
Sax Institute	45 & Up Study	150,000
University of NSW	Dr Paul Brock's Stem Cell Scholarship	25,000
University of Wollongong	Capital Funding – Illawarra Health and Medical Research Institute	5,000,000

## Science Leveraging Fund (SLF)

The SLF was established to help attract Commonwealth and international funding for science and medical research to New South Wales. SLF supports research groups and centres seeking funding from specific Commonwealth programs, including:

- The National Collaborative Research Infrastructure Strategy
- The Cooperative Research Centres program
- Australian Research Council Centres of Excellence.



## NSW Cooperative Research Centres SLF Program

Organisation	Project	Amount (\$)
Capital Markets CRC Limited	CRC SLF – Capital Markets CRC	250,000
Hearing CRC	CRC SLF – Hearing CRC	145,000
Smart Services	CRC SLF – Smart Services CRC	300,000
University of New England	CRC SLF grant for the CRC Sheep Industry Innovation	125,000
University of Wollongong	SLF Defence Materials Technology Centre	50,000

## NSW Cooperative Research Centre Bid Support Program SLF Program

Organisation	Project	Amount (\$)
Australian Logistics Council	CRC Bid Support – Road Freight and Logistics CRC	30,000
Institute for Eye Health	CRC Bid Support – Eye to Health CRC	30,000
SAX Institute	CRC Bid Support – Pathways to Healthy Ageing CRC	30,000
Southern Cross University	CRC Bid Support – Fresh Food Security CRC	30,000
Southern Cross University	CRC Bid Support – Future Biofuels CRC	15,000
The George Institute	CRC Bid Support – CRC for Applied Healthcare Innovations	30,000
University of New South Wales	CRC Bid Support – Photovoltaics CRC	15,000
University of Newcastle	CRC Bid Support – CRC for Social Inclusion	30,000
University of Technology, Sydney	CRC Bid Support – CRC for Management Innovations	30,000
University of Western Sydney	CRC Bid Support – CRC for Integrated Healthcare	30,000

## National Collaborative Research Infrastructure Strategy (NCRIS) Science Leveraging Support

Organisation	Project	Amount (\$)
Institute for Transdisciplinary eResearch Services and Technology (INTERSECT)	National Collaborative Research Infrastructure Strategy (NCRIS) Platforms for collaboration capability	800,000
Macquarie University	NCRIS SLF – Biofuels capability	37,500
Macquarie University	NCRIS SLF – Bioplatforms	550,000
Macquarie University	NCRIS SLF – Fabrication	250,000
Southern Cross University	NCRIS SLF – Bioplatforms capability	50,000
University of NSW	NCRIS SLF – Biofuels capability	75,000
University of NSW	NCRIS SLF – Bioplatforms capability – Ramaciotti	50,000
University of NSW	NCRIS SLF – Bioplatforms capability – BMSF	125,000
University of NSW	NCRIS SLF – Bioinformatics/ Bioplatforms capability	165,000
University of NSW	NCRIS SLF – Recombinant Proteins Capability	125,000
University of NSW	NCRIS SLF – Characterisation Imaging	50,000
University of Sydney	NCRIS SLF – Characterisation AMMRF	500,000
University of Sydney	NCRIS SLF – Biofuels capability	37,500
University of Sydney	NCRIS SLF – Characterisation Imaging	485,000
University of Western Sydney	NCRIS SLF – Characterisation Imaging	42,000
University of Wollongong and University of Newcastle	NCRIS SLF – Fabrication ANFFL	125,000

## Australian Research Council Centres of Excellence (ARC CoE) Science Leveraging Support

Organisation	Project	Amount (\$)
University of Newcastle	ARC CoE for Complex Dynamic Systems and Control	80,800
University of Newcastle	ARC CoE for Legume Research	22,500
University of Newcastle	ARC CoE for Biotechnology and Development	74,300
University of NSW	ARC CoE for Mathematics and Statistics of Complex Systems	37,500
University of NSW	ARC CoE for Advanced Silicon Photovoltaics and Photonics	196,800
University of NSW	ARC CoE for Quantum Computing	187,500
University of NSW	ARC CoE for Groundwater Research and Training	989,000
University of Sydney	ARC CoE for Autonomous Systems	143,000
University of Sydney	ARC CoE for Ultrahigh Bandwidth Devices for Optical systems	127,000
University of Wollongong	ARC CoE for Electromaterials Science	53,000

## Other SLF Grants

Organisation	Project	Amount (\$)
Sydney Institute of Marine Science	Education Investment Fund and Potter Foundation	600,000

## Spinal Cord and Injury Related Neurological Conditions Research Grants Program

The program promotes research into spinal cord injury and related neurological conditions and seeks to develop and attract relevant research talent in New South Wales, and includes: Research Program Grants, directed at research undertaken by established senior researchers; Research Project Grants, directed at post-doctoral researchers within 5 years of their PhD award; and Travel Scholarships, directed at advanced PhD students to enable them to present their research at prestigious international conferences and/or institutions.

Organisation	Name	Amount (\$)
University of Sydney	Professor John Pollard	62,500
Prince of Wales Medical Research Institute	Dr Penelope McNulty	200,000
University of NSW	Dr Gila Moalem-Tay	200,000
University of Sydney	Dr Sylvia Gustin	193,595
Prince of Wales Medical Research Institute	Claire Boswell-Ruys	5,000

## NSW-China Collaborative Research Program

This program promotes collaboration between New South Wales and Chinese scientists on joint scientific research projects including the modern development of traditional Chinese medicine. Research areas include traditional Chinese medicine, biotechnology and proteomics.

Organisation	Name	Amount (\$)
University of Newcastle	Dr Chris Levi	230,275
University of Sydney	Dr Stuart Cordwell	136,750
Macquarie University	Mark Baker	250,000

## Other Grants and Awards

Awards such as the Eureka Prize and NSW Young Science Ambassador Scholarships recognise NSW researcher achievements and promote science as a career. Other grants contribute to expanding the science and research knowledge base in New South Wales and promoting the value of science to the public.

Organisation	Project	Amount (\$)
ATP Innovations	Successful Innovation Workshop 2008	1,000
Australasian Society for Biomaterials and Tissue Engineering, Inc	BITE & RM Sponsorship	300
Australian Institute of Policy and Science	Tall Poppy Campaign	30,000
Australian Museum	2009 OSMR Eureka Prize and Contribution	29,800
Australian Science Media Centre	OSMR Foundational Sponsorship	30,000
Cooperative Research Centres Association	Pathfinders The Innovators Conference 2009	6,000
Department of Education, Employment and Workplace Relations (DEEWR)	Wellington Group Forum	3,636
Peter MacCallum Cancer Centre	Australian Biospecimen Network	1,500
Research Australia	Thank you Day Awards	10,000
The Australian Society for Medical Research	The Australian Society for Medical Research (ASMR) Medical Research Week®	15,000
The Sax Institute	2008 Health Policy Research Exchange	5,000
The Sax Institute	CRIAH Aboriginal Health Research Conference	7,000
University of Sydney	8th International Photonic & Electromagnetic Crystal Structures Meeting (PECS VIII)	7,500
University of Sydney	Apollo 11 Exhibition	15,000
University of Sydney	IPOS Launch	9,000

## Travel Scholarships

Organisation	Name	Amount (\$)
Australian National University	International Conference- Electronic Materials Travel Scholarship Prizes for NSW	6,000
University of New South Wales	Catalina Palinu	3,000
University of New South Wales	Mr Khun Hong Lie	3,000
University of Sydney	Michael Weiblett II	3,000

Organisation	Project	Amount (\$)
Peptech Ltd	ATS Patrons Award 2008 – For outstanding export achievement	10,000

## Travel Scholarships

Organisation	Project	Amount (\$)
Dr Kuldeep Sidhu	International Conference on GMP Issues in Stem Cells	3,000
National Science Summer School Inc	NSW Young Science Ambassador Scholarships 2008	11,000

## NSW-Gangwon Technology Collaboration Grant

Collaborative grant program to support joint proof of concept projects of one year or less between researchers and/or companies from both New South Wales and Gangwon Province, South Korea.

Organisation	Amount (\$)
University of Wollongong	50,000

## Biobusiness Proof of Concept Grant

The BioBusiness Proof of Concept Grant helps New South Wales life science companies take projects from research to early stage commercialisation. The program supports proof of concept projects to stimulate innovation and drive productivity in the life science industry.

Organisation	Amount (\$)
Cellix Pty Ltd	80,850
Dosimetry and Imaging Pty Ltd	100,000
Elastagen Pty Ltd	100,000
E-Nose Pty Ltd	100,000
Human Genetic Signatures Pty Limited	100,000
Minomic International Ltd	100,000
NeuStent Pty Ltd	100,000
Protech Research Pty Ltd	74,700
Ulco Engineering Pty Ltd	100,000
VetPhage Pty Ltd	95,150

## National ICT Australia Limited (NICTA) for Seed Funding

Organisation		Amount (\$)
NICTA on behalf of the Embedded Systems Australia industry cluster	For dedicated short range communications demonstrator project	50,000

## Community Economic Development Program

The program is designed to increase business and economic activity and foster commitment from local government to economic development. The program benefits the broader community, particularly the business community. Organisations such as chambers of commerce and local Councils are eligible to apply on behalf of their community.

Organisation	Project	Amount (\$)
Albion Park Chamber Of Commerce	Crossroads to the Future Coordinator	10,000
Albury City Council	Benchmark research activities	1,980
Armidale Dumaresq Council	Conferences and Events Coordinator	5,000
Armidale Dumaresq Council	Employment of Events Coordinator	5,000
Armidale Dumaresq Council	Business development planning	5,000
Arts Mid North Coast	Creative Industries Research Project	11,250
Ballina Chamber of Commerce and Industry	Business / Tourism development activities	12,500
Ballina Shire Council	Employment of an economic development officer	47,500
Ballina Shire Council	Employment of an economic development officer	47,500
Ballina Shire Council	Business Retention and Expansion Survey	10,750
Ballina Shire Council	Business Retention and Expansion Survey	10,750
Balranald Inc	Community planning project	2,400
Baradine Progress Association Inc	Baradine business directory	3,195
Bellingen Shire Council	Planning for Coffs Coast oyster growers	1,589
Bland Shire Council	Tourism development	3,750
Bland Shire Council	Tourism development	3,750
Bogan Shire Council	Business marketing workshop	3,000
Bogan Shire Council	Business marketing workshop	3,000
Bourke Shire Council	Employment of economic development officer	17,500
Brewarrina Shire Council	Buy Brewarrina Campaign	2,270
Broke Fordwich Wine & Tourism Association Inc	Developing the potential for Broke Events	14,638
Brunswick Heads Chamber of Commerce	Promotional and marketing – Old and Gold trail	2,500
Brunswick Heads Chamber of Commerce	Town marketing project	15,000
Bungendore Chamber of Commerce & Industry Inc.	Marketing and business development for Bungendore	7,500
Burcher Progress Association	Event subsidy – Poppers in the Pines 3 Festival	2,750
Byron Shire Council	Employment of economic development officer	22,500
Byron Shire Council	Employment of economic development officer	22,500
Capital Region Development Board	South east Regional Organisation of Council projects	5,000
Capital Region Development Board	Capital region film and television industry development	9,015
Capital Region Development Board	Capital region film and television production liaison	17,397
Capital Region Development Board	Leadership for Capital Region Project	25,000
Capital Region Development Board	Screen South East Project 2009	30,000
Capital Region Development Board	Employment of broadband project officer	15,000
Capital Region Development Board	Regional certifying body	15,000
Carrathool Shire Council	Branding Hillston Project	3,050
Carrathool Shire Council	Events Subsidy – Rankins Springs Birds of the Bush Festival	11,250
Carrathool Shire Council	Marketing and promotion	3,250
Carrathool Shire Council	Marketing Plan and business workshops in Hillston	8,624



Organisation	Project	Amount (\$)
Casino Chamber of Commerce & Industry Inc	Marketing and promotion	12,500
Casino Chamber of Commerce & Industry Inc	Marketing and promotion	12,500
Central Coast Economic Development Board	Asian Tourism market planning	6,375
Central Coast Economic Development Board	Australian Songwriters Conference – 2009	10,000
Central Coast Economic Development Board	Branding and business development program	70,000
Central Coast Economic Development Board	Business development program – 2008 – Central Coast Mariners	30,000
Central Coast Economic Development Board	CMS project 2009	10,000
Central Coast Economic Development Board	Regional Economic Development and Employment Strategy	37,500
Central Coast Economic Development Board	Employment of economic development officer	15,000
Central Coast Plateau Chamber of Commerce	Event Subsidy – The Future of Farming	5,220
Central Darling Shire Council	CEDP – Why We Love Where We Live 2008	30,000
Central Western Regional Development Board	Asia Today 2008	4,400
Central Western Regional Development Board	Fibre to the Node Linkage Paper Project	2,500
Central Western Regional Development Board	Industry and skills development	20,000
Central Western Regional Development Board	Regional business survey	7,268
Central Western Regional Development Board	Development of skilled migration attraction strategy	37,000
Central Western Regional Development Board	Research on the creative industries	2,294
CENTROC	Employment of industry development officer	5,000
Clarence Valley Council	Business network development	10,000
Clarence Valley Council	Clarence Valley events workshop	3,645
Clarence Valley Council	Clarence Valley Way planning project	25,000
Clarence Valley Council	Clarence Valley events workshop	3,645
Cobar Business Association Inc	Buy local campaign	3,600
Cobar Enterprise Facilitation Inc	Enterprise facilitation project	12,500
Coffs Harbour City Council	Business consultancy	37,750
Coffs Harbour City Council	Conference attraction project	35,000
Collector Villiage Pumpkin Festival Committee	Event Subsidy – Pumpkin Festival	3,500
Coolah District Development Group	Events subsidy – Coolah Jazz in the Tops	5,000
Coonamble Shire Council	Railway Precinct Strategic Business Plan	2,500
Coonamble Shire Council	Tourism marketing and promotion of Quambone	3,317
Corowa Shire Council	Employment of a business development manager	25,000
Corowa Shire Council	Employment of economic development coordinator	25,000
Cowra Shire Council	Entrepreneurs business development program	5,053
Cowra Shire Council	Employment of Cowra business officer	22,500
Cowra Shire Council	Employment of Cowra business officer	22,500
Deni Play on the Plains Festival Limited	Economic Impact of Deni Ute Muster study	2,500
Deni Play on the Plains Festival Limited	Strategic Plan review	2,500
Deniliquin Chamber of Commerce	Employment of business coordinator	35,000
Deniliquin Council	Tourism brochure	1,750
Deniliquin Council	Rotary Park Sporting Complex study	12,360
Dubbo City Council	Strategic marketing plan	30,000

Organisation	Project	Amount (\$)
Dungog Shire Council	Economic development officer training	930
Dungog Shire Council	Employment of strategic project manager	25,000
Echuca Moama Business and Trades Association	Echuca Moama Celtic Festival	22,500
Far Western Regional Development Board	Film Broken Hill Project	20,000
Far Western Regional Development Board	Regional Airport Master Plan	20,250
Far Western Regional Development Board	Small Business September Broken Hill	7,000
Finley Chamber of Commerce Industry & Agriculture Inc	Establish website and website seminar	3,460
Fresh Arts Inc	Website development	980
Glen Innes Severn Council	Development of an event management plan	1,500
Glen Innes Show Society Inc	Event subsidy	12,000
Gloucester Chamber of Commerce	Joint business development activities	10,000
Gloucester Chamber of Commerce	Marketing and promotion	3,000
Gloucester Chamber of Commerce	Marketing and promotion	3,000
Gosford City Council	Australia Day Community Awards	2,500
Gosford City Council	Event Subsidy – Sister Cities Conference	500
Goulburn Mulwaree Council	Strategic and economic planning	12,500
Gowest – a Regional Development Board	Attendance at Country Week 2008	7,500
Gowest – a Regional Development Board	Human resource management workshops	2,110
Gowest – a Regional Development Board	Small Business September month activities 2008	5,000
Gowest – a Regional Development Board	Tree Change Promotion	2,600
Great Lakes Council	Event Subsidy – Forster Anaconda Adventure Race	7,000
Great Lakes Council	Developing of aged services sector shared labour pool	25,000
Greater Hume Shire Council (formerly Hume Shire Council)	Event subsidy – Culcairn Heritage Festival	3,830
Greater Hume Shire Council (formerly Hume Shire Council)	Henty 'Project Enterprise'	2,183
Greater Hume Shire Council (formerly Hume Shire Council)	Promotion and marketing of region	12,500
Greater Taree City Council	Employment of economic development officer	7,500
Greater Western Sydney Economic Development Board	Administration and projects officer 2008-09	70,000
Greater Western Sydney Economic Development Board	Economic profiles project	10,500
Greater Western Sydney Economic Development Board	Manufacturing leaders forum	15,000
Greater Western Sydney Economic Development Board	Marketing strategy	93,000
Greater Western Sydney Economic Development Board	Slingshot Youth enterprise	20,000
Greater Western Sydney Economic Development Board	Marketing strategy	2,725
Greater Western Sydney Economic Development Board	Employment of administration and projects officer	2,715
Greater Western Sydney Economic Development Board	Hawksbury Harvest project	10,000
Griffith City Council	Strategic planning	16,250
Griffith City Council	Strategic planning	16,250
Gundagai Regional Enhancement Group	Sponsorship – The Turning Wave Festival	5,000
Gunnedah Shire Council	Tambar Springs Tourism Plan	3,800
Hay Shire Council	Economic/Tourism development manager and Strategic Plan	21,500
Hillston Lions Club Inc	Promotion – Hillston Australiana Bush Festival 2007	1,437

Organisation	Project	Amount (\$)
Hunter Councils	Business Plan – Regional Data Centre	6,000
Hunter Economic Development Corporation	Sponsorship of CEDA Conference	3,000
Hunter Economic Development Corporation	2008-09 Hunter Founders Forum – Employment of part-time coordinator	9,000
Hunter Economic Development Corporation	Employment of receptionist	25,248
Hunter Economic Development Corporation	Hunter Central Coast Innovation Festival – 2009	45,000
Hunter Economic Development Corporation	Hunter Central Coast Parliamentary Showcase	8,000
Hunter Economic Development Corporation	Hunter Defence Marketing project	8,000
Hunter Economic Development Corporation	Infrastructure project	5,000
Hunter Economic Development Corporation	Regional Upper Hunter Infrastructure Project Stage 2	12,000
Hunter Economic Development Corporation	Targeted Local Government Cooperative marketing campaign	23,000
Hunter Economic Development Corporation	Hunter Means Innovations Festival	11,000
Hunter Manufacturers' Association	Sponsorship – Hunter Manufacturing Awards	500
Hunter Region Business Enterprise Centre Inc	Sponsorship – Hunter Region Business Excellence Awards	400
Hunter Valley Wine Industry Association	Event Subsidy – Wine Industry Awards	2,500
Illawarra Business Chamber	Business Expo	1,091
Illawarra Regional Development Board	Employment of Asia Business advisor	30,000
Illawarra Regional Development Board	Illawarra Region stand at Restaurant 08 trade show	4,000
Illawarra Regional Development Board	Illawarra Defence Forum	11,848
Illawarra Regional Development Board	International Tourism Bureau – employment of project officer	105,000
Illawarra Regional Development Board	Skills shortages assessment	4,931
Inland NSW Tourism Awards Inc	Business workshops	800
Inverell Shire Council	Inverell Investment Fund 2008	200,000
Inverell Shire Council	Tourism Development Plan	7,500
Inverell Shire Council	Business and industry development project	12,000
Inverell Shire Council	Tourism development plan	7,500
Inverell Shire Council	Event Subsidy – Opera in the Paddock	25,000
Kangaroo Valley Arts Festival Inc	Event Subsidy – Arts in the Valley Festival	10,000
Kiama Municipal Council	Event Subsidy – Business forum	4,000
Kiama Municipal Council	Events coordinator	8,000
Kyogle Chamber Of Commerce	Growing the capacity of Kyogle businesses to gain from events	22,500
Kyogle Community Economic Development Committee Inc	Business Tourism Development	12,500
Kyogle Council	Employment of economic development coordinator	25,000
Kyogle Council	Employment of economic development coordinator	25,000
Lake Eucumbene Chamber of Commerce	Promotion and marketing	3,000
Lake Macquarie City Council	Business/Tourism Development project	20,000
Leeton Shire Council	Workshop and strategic planning	2,609
Lismore City Council	Business marketing forum	2,260
Lismore City Council	Event subsidy – Lismore Sustainable Living Expo	7,500

Organisation	Project	Amount (\$)
Lismore City Council	Business and tourism planning	15,000
Lithgow City Council	Events Subsidy – Jobs Summit	5,000
Lithgow City Council	Upgrade of Wolgan Road	145,000
Lithgow City Council	Employment of economic development officer	17,000
Lockhart Shire Council	Event subsidy – Spirit of the Land Festival	5,000
Mendooran & District Development Group Inc	Business and community information signage	3,375
Mid North Coast Regional Development Board	Website enhancement	1,500
Mid-Western Regional Council	Employment of economic development officer	25,000
Millthorpe Village Committee Inc	Millthorpe marketing campaign	3,750
Moree Plains Shire Council	Boomi business and marketing plan	3,500
Moree Plains Shire Council	Planning, research and marketing plan	5,000
Morundah Bush Entertainment Committee Inc	Event subsidy	3,750
Mudgee Region Tourism Inc	Community economic development manager	3,019
Mudgee Region Tourism Inc	Skills enhancement program for tourism business	3,019
Mungo Festival Inc.	Employment of Mungo festival coordinator	8,750
Murray Regional Development Board	Business development project	10,000
Murray Regional Development Board	Innovation and Skilled Migration Study	25,000
Murray Regional Development Board	Murray Economic Development Alliance	2,500
Murray Regional Development Board	Albury Business Attraction Taskforce	23,452
Murray Regional Development Board	Balranald and Deniliquin Sustainable Communities Project	20,000
Murray Regional Development Board	Forest Plantations Community Forum	5,000
Murray Regional Development Board	Regional Events Workshops for Councils	5,000
Murray Regional Development Board	Study into gas fired power facility Deniliquin	5,000
Murray Regional Development Board	Timber industry haulage study for South West Slopes	8,000
Murray Shire Council	Back Roads Tourism Trail development	5,000
Myall Waterways Chambers of Commerce & Tourism	Employment of economic development officer	13,000
Myall Waterways Chambers of Commerce & Tourism	Employment of an events officer	13,000
Myall Waterways Chambers of Commerce & Tourism	Tea Gardens/Hawks Nest Welcome Kit	2,500
Nambucca Shire Council	Bowraville Collaborative marketing project	7,500
Nambucca Shire Council	Contribution towards replacement of Upper Warrell Creek Bridge	190,000
Nambucca Shire Council	Manufacture Coffs Coast – business development	7,000
Narooma Chamber of Commerce & Tourism Inc	Event subsidy – Oyster Festival	5,000
Narrabri Shire Council	Economic Social Plan	5,000
Narrandera Shire Council	Planning project	10,000
Nelson Bay Town Management Inc	Marketing and promotion	2,500
Northern Inland Regional Development Board	Regional Skilled Migration Attraction project	20,000
Northern Inland Regional Development Board	Sponsorship – Food and Wine Showcase	3,000
Northern Inland Regional Development Board	Planning – Practical Leadership in the Namoi	39,873
Northern Inland Regional Development Board	Sponsorship 2009 Northern Inland Innovation Awards	3,500
Northern Rivers Regional Development Board	Innovation Program – Consultancy	33,000
Northern Rivers Regional Development Board	Northern Rivers Food Forum – 2009	40,000

Organisation	Project	Amount (\$)
Northern Rivers Screenworks (AIDC)	Business development	5,000
NSW Agriculture	Blundell concerts in the Riverina	3,000
NSW Department of Juvenile Justice	Newcastle Graffiti Initiative	4,500
NSW Farmers Association	Growing the Dairy Industry in the Murray Irrigation Area	25,409
Old Bar Festival Inc	Sponsorship – The Old Bar Festival	5,000
Orana Arts	Capacity Building Workshops	6,128
Orange Regional Vignerons Association	Strategic planning	5,000
Outback and All That Jazz Inc.	Event development and promotion	27, 000
Parkes Shire Council	Event Subsidy – Inland NSW Toursim Awards	2,500
Port Stephens Council	Employment of Economic Development Officer	30,000
Port Stephens Council	Development of Port Stephens as an events destination	15,000
Queanbeyan City Council	Business Retention Expansion Survey	8,000
Riverina Regional Development Board	Skilled migration attraction activities	22,500
Riverina Regional Development Board	C Change Project year 3	109,000
Riverina Regional Development Board	Customer Registration Management System	4,560
Riverina Regional Development Board	Food and Wine Showcase	9,350
Riverina Regional Development Board	Murrumbidgee Valley Rail Trail Study	20,000
Riverina Regional Development Board	Riverina Highlands Rail Trail development	6,800
Rotary Club Of Paterson Inc	Paterson Village Heritage Walk and Park Project	3,500
Scone Shire Council	Production of Aberdeen tourism brochure	3,000
Shellharbour City Council	Network development	6,000
Shellharbour City Council	Promotion and marketing – regional airport	5,000
Shellharbour City Council	Economic planning	25,000
Shoalhaven City Council	Event subsidy – Beyond 2020 Conference	2,000
Shoalhaven Coast Wine Industry Association	Marketing project	5,784
Singleton Council	Strategic planning project	15,000
Southlake Business Chamber and Community Alliance Incorporated	Coordinator training	1,000
Tamworth Regional Council	Event Subsidy – Nundle Go for Gold Chinese Easter Festival	5,000
Tenterfield Shire Council-MSD	Study into urban and rural land strategies	25,000
The Illawarra Itec Ltd.	Network Development – Relaunch of the Wollongong Small Business Club	2,000
The Milparinka Heritage & Tourism Association Inc	Corner Country Tourism Marketing Project	1,500
Thredbo Chamber Of Commerce	Thredbo voucher booklet	3,750
Tibooburra & District Progress Association	Event Subsidy – Tibooburra Rock Festival	5,000
Tibooburra Village Committee Inc	Coordinator and community planning	5,000
Tourism Bellinger	Waterall Way Centre Project Coordinator and marketing materials	22,500
Tumbarumba Shire Council	Employment of Economic Development Officer	5,000
Tumbarumba Shire Council	Strategic planning and review	2,550
Tweed Shire Council	Caldera Community Economic Transition Strategy	5,000
Two Fires Festival of Arts and Activism Inc	Event development and promotion	10,000



Organisation	Project	Amount (\$)
Tyalgum District Community Association Inc	Economic Transition Project	10,000
Uki Village & District Residents Association Incorporated	Sustainability project	10,000
University of Wollongong	Employment of industry development officer	4,515
University of Wollongong	Green Jobs Illawarra Action Plan	75,000
University of Wollongong	University of Wollongong – Innovation Campus Business Attraction Strategy	30,000
Upper Hunter Museum of Rural Life Inc	Business plan for Upper Hunter Cultural Centre at Aberdeen	5,463
Upper Hunter Shire Council	Merriwa Business Research Project	3,092
Upper Lachlan Shire Council	Event Subsidy – A Wealth of Taste and Style	1,846
Upper Lachlan Shire Council	Strategic planning	9,000
Uralla Arts Council Incorporated	Marketing – Arts Festival	5,000
Wagga Wagga City Council	Event Subsidy – Economic Development Conference	5,000
Wagga Wagga City Council	Bomen Master Plan	45,000
Wakool Shire Council	Sponsorship – Business Excellence Awards	500
Wee Waa & District Chamber of Commerce	Wee Waa Business Community Marketing Plan	3,750
Weereewa – A Festival of Lake George Committee inc.	Events Subsidy – Festival of Lake George	5,000
Wellington Council	Marketing and promotion	7,500
Wentworth Shire Council	Event subsidy	7,500
Wentworth Shire Council	Event subsidy – 150th Celebrations	5,000
West Wallsend Chamber of Commerce	Strategic planning project	2,360
White Cliffs Opal Fields Tourist Association Inc (WCOFTA)	Tourism promotion	3,000
Wingecarribee Shire Council	Southern Highlands Logistics Distribution Centre Study	3,250
Wollombi Valley Chamber Of Commerce	Marketing material	5,750
Wollongong City Council	Business Attraction Strategy	25,000
Woodburn Chamber Of Commerce	Business and tourism development planning	7,500
Woolgoolga Chamber of Commerce Industry and Tourism Inc	Event development and promotion – Curryfest	9,000
Yeoval Progress Association	Events Subsidy – Mulga Bill Festival	12,500

## Appendix 11

### Guarantee of service

The department maintains its commitment to providing a high quality service that meets the reasonable expectations of its clients. The Guarantee of service explains what we do, our values and objectives, our service standards, how clients and stakeholders can give the department feedback. During the reporting year, the Guarantee of Service was reviewed and amended to incorporate processes that provide support to people with writing difficulties to ensure that these people can provide feedback to the department.

A copy of our Guarantee of Service is made available to the general public through the department's main website [www.business.nsw.gov.au](http://www.business.nsw.gov.au).

## Appendix 12

### Human resources

Additional information on human resources achievements is available in the Corporate Environment chapter on page 41.

#### Policies and Practices

During 2008-09 the department:

- reviewed and revised the Filling Vacancies Policy
- amended the *First Aid Policy* with the provision of a first aid room in the MLC Centre location
- updated the *Staff Awards Guidelines* to provide for an integrated program
- amended various policies and procedures to reflect changes to the Crown Employees (Public Service Conditions of Employment) Reviewed Award 2006.

### Industrial relations

The department and the Public Service Association (PSA) maintained strong relations through the Joint Consultative Committee (JCC). The Committee met on four occasions during the year with the majority of matters relating to departmental reviews and restructure and flexible working arrangements.

The department and Public Service Association agreed on a policy for filling positions to apply for the period of the restructure. A change management plan was submitted to the Department of Premier and Cabinet.

### Movement in wages, salaries or allowances

The Crown Employees (Public Sector – Salaries January 2008) Award provided for a 4 per cent increase in salaries, with effect from the first full pay period in July 2009.

#### Establishment as at 30 June 2009

	2003	2004	2005	2006	2007	2008	2009
Establishment – number of FTE positions	313.7	296	297	493.5	490.9	484.08	475.08
Actual (FTE) staff number of the department	299.1	276.5	274.2	411.7	425.0	413.09	398.8

## Appendix 13

### Information and communication technology

The department maintains and publishes information for clients and the public on the following websites. Sites are being consolidated where possible to improve administrative efficiency, accuracy, currency, and security.

The department reports to government include the *Information Management and Technology Strategic Plan*. This plan is updated annually and follows a standard government pro-forma. The plan sets out the performance criteria, present capabilities and planned development of information services in the department, including IT, information resources and records management.

URL/Address	Subject/Interest area
www.aboriginalbiz.nsw.gov.au, www.techshowcase.nsw.gov.au	Aboriginal business within the Small Business website.
www.ats.business.gov.au	Australian Technology Showcase website presents the NSW technology industry, latest developments and technological advancements in areas including ICT, biotechnology and nanotechnology.
www.biofuels.nsw.gov.au	Biofuel website within the Business website The Office of Biofuels manages the implementation of the Biofuel (Ethanol Content) Act 2007 and develops strategies to support the further development of the biofuels industry in NSW.
www.biotechnology.nsw.gov.au	BioTech Life Science Directory – an electronic directory that provides information on the NSW Biotechnology industry and research community.
www.business.nsw.gov.au, www.srd.nsw.gov.au	Main department website – presents the department as the NSW Government's business development agency, providing assistance to state and local businesses, and promoting investment and job creation.
www.business.nsw.gov.au/biotech	BioTech website – within Business Website.
www.business.nsw.gov.au/community/	Regional communities – within Business website. Provides information and assistance to regionally operated businesses, and an online community connecting government, regional development boards and regional businesses.
www.chiefscientist.nsw.gov.au	The Chief Scientist and Scientific Engineer helps stimulate innovation and ensure the State's research capacity keeps pace with the needs of the NSW economy, environment and the community.
www.construction21.nsw.gov.au	Construction website – now within Business website.
www.export.nsw.gov.au	Export information site – now within Small Business website.
www.hmra.nsw.gov.au	The Homebush Motor Racing Authority assists in hosting an annual V8 Supercar race for 5 years at Sydney Olympic Park.
www.innovation.nsw.gov.au	Innovation Website – within Business website.
www.osmr.nsw.gov.au www.osmr.nsw.gov.au/state_of_research/health/ www.osmr.nsw.gov.au/state_of_research/science/	Office for Science and Medical Research including the Health and Medical Research Directory and Science Research Directory.  Provides information on current scientific and medical research, including life sciences, NSW based public research institutions and current health and medical research being conducted in the state.
www.regionalcommunities.nsw.gov.au	Alternate link to Regional Communities – now within Business website.
www.researchroadmap.osmr.nsw.gov.au	Provides information on the relevant policy regulations as they apply to the research, development of products and innovations that are based on life sciences research.
www.retailtenancy.nsw.gov.au, www.retail.nsw.gov.au, www.rtu.nsw.gov.au	Retail Tenancy Website presents information to assist the retail leasing industry in New South Wales in preventing and resolving tenancy disputes.

URL/Address	Subject/Interest area
<a href="http://www.smallbiz.nsw.gov.au">www.smallbiz.nsw.gov.au</a> , <a href="http://www.smallbusiness.nsw.gov.au">www.smallbusiness.nsw.gov.au</a> <a href="http://www.smallbiz.nsw.gov.au/hbb">www.smallbiz.nsw.gov.au/hbb</a> <a href="http://www.smallbiz.nsw.gov.au/makingit">www.smallbiz.nsw.gov.au/makingit</a> <a href="http://www.smallbiz.nsw.gov.au/sbmonth">www.smallbiz.nsw.gov.au/sbmonth</a> <a href="http://www.smallbusinessmonth.nsw.gov.au">www.smallbusinessmonth.nsw.gov.au</a> <a href="http://www.smallbiz.nsw.gov.au/wib">www.smallbiz.nsw.gov.au/wib</a>	Small Business website presents NSW Government information for people starting and managing a small business in New South Wales. Includes the Home-based Business online resource designed to assist business operate from a small office / home office; link to the Western Sydney Manufacturing Week, which provides information on manufacturing, innovation and industry trends in Western Sydney; Small Business Month, which provides information on workshops and events registration and links designed to assist small and medium sized businesses; and Women in Business, which is designed to assist entrepreneur and new women business owners start their own business in New South Wales.
<a href="http://www.spinalinfo.nsw.gov.au">www.spinalinfo.nsw.gov.au</a>	Provides consumer information on scientific research, government policy, healthcare, social networks as they relate to spinal cord injuries.
<a href="http://www.sydneyastralia.com">www.sydneyastralia.com</a> <a href="http://www.sydneyastralia.com">www.sydneyastralia.com</a>	Promotes Sydney as a tourism, business and education destination in the international marketplace.
<a href="http://www.tourism.nsw.gov.au">www.tourism.nsw.gov.au</a>	The corporate information site outlining policies and activities to assist the tourism industry in New South Wales.
<a href="http://www.visitnsw.com">www.visitnsw.com</a>	Provides access to information on holiday destinations, accommodation and events across New South Wales by region. Attracting both international and national audience to the State's tourism industry.

## Appendix 14

### Internal audit bureau

The Internal Audit Bureau (IAB) is contracted by the department to provide internal audit services and other special reviews. The Internal Audit Plan is determined by the department's Audit and Review Committee (ARC) with advice from the IAB. The areas to be reviewed are outlined in an Annual Audit Plan and are determined on the basis of exposure to potential financial or operating risks.

Recommendations arising from reviews were considered by the ARC and implemented as appropriate by operating divisions, with oversight from the Governance and Organisational Support Division.

## Appendix 15

### Land disposal

The department, through the Ministerial Corporation for Industry, is responsible for an industrial land bank consisting of two sites located at Albury. The land relates to the Corporation's involvement in a development agreement with the Albury Wodonga Development Corporation (now trading as the Albury Wodonga Corporation) to develop, market and sell industrial property at Albury. The Ministerial Corporation for Industry contributed the industrial land with the Albury Wodonga Corporation responsible for development of the site.

During the 2008-09 financial year, the Albury Wodonga Corporation advised the Corporation that following a directive from the Australian Government, the Albury Wodonga Corporation could no longer participate in the development agreement.

The Ministerial Corporation for Industry will continue to market the land for sale.

No land was disposed of during the year.

## Appendix 16

### Major assets

Major assets used by the department include:

- wide area network, incorporating desktop computers, laptops and other computer equipment including servers, routers and printers
- computer software, office furniture and equipment including a large range of audiovisual and teleconferencing equipment.

## Appendix 17

### Major works in progress

The department did not have any major works in progress during the year.

## Appendix 18

### Overseas travel

Name of officer	Country visited	Period of travel	Purpose
Kate Strange (NZ)	Australia	25 – 27 July	Market familiarisation
Ella Frater (NZ)	Australia	08 – 11 August	Market familiarisation
Grace Tay (Singapore)	Australia	10 – 15 August	Market familiarisation
Maria Cheong (Hong Kong)	Australia	24 – 30 August	Market familiarisation
Maria Fatima Cheong (Hong Kong)	Australia	24 – 30 August	Market Familiarisation
David Morris	China	31 August – 03 September	Promote Brand Sydney to coincide with Shanghai World Expo
Adrian Wood	Japan	07 – 14 September	Participation on Leadership Program hosted by Japanese Government
Jessica Hulst	India	07 – 19 September	Investment mission
Linda Taylor	India	07 – 19 September	Investment mission
Carmel Beattie	Singapore & India	11 – 21 September	Tourism mission
Roseline Yardin	Singapore	15 – 20 September	Hospimedica Asia 2008
Takeshi Teramoto (Japan)	Australia	19 – 22 September	Market familiarisation
Carmel Beattie	Japan & Korea	28 September – 03 October	Industry meetings and recruitment
Shane Coombe	Korea	04 – 12 October	NSW Gangwon Technology Collaboration and BioKorea 2008
Oton Wu (Hong Kong)	Australia	24 – 28 October	Accompany film crew for Sydney Reality Program
Susan Saretzki	China	04 – 13 November	Investment mission
Irene Morgan (USA)	Australia	07 – 22 November	International Managers Conference
Kate Strange (NZ)	Australia	07 – 22 November	International Managers Conference
Kate Young (UK)	Australia	07 – 22 November	International Managers Conference
Kyoko Kanehira (Japan)	Australia	07 – 22 November	International Managers Conference
Oton Wu (Hong Kong)	Australia	07 – 22 November	International Managers Conference
Siew Hoon Tan (Singapore)	Australia	07 – 22 November	International Managers conference
Takeshi Teramoto (Japan)	Australia	07 – 22 November	International Managers Conference
Siew Hoon Tan (Singapore)	Australia	07 – 22 November	International Managers Conference
Julie Scott	Malaysia	08 – 16 November	Women Going Global
David Morris	China	11 – 24 November	Investment mission
Roseline Yardin	Germany	16 – 25 November	Medica 2008
Ella Frater (NZ)	Australia	20 – 25 November	Accompany NZ travel familiarisation
Malcolm Lemaire	UAE & Qatar	20 November – 01 December	Dubai Big 5 Building and Construction Exhibition
Rory McAlister	India	22 – 29 November	Trade mission
Jason Fuller	USA	11 – 25 January	G'Day USA/Australia Week
Michael O'Sullivan	USA & Canada	11 – 21 January	G'Day USA/2010 Winter Olympics
Barry Buffier	USA	13 – 27 January	Australia Week in USA
Colin Thew	India	09 – 17 February	Aero India
Nicolas Vandervoort	Indonesia	22 – 26 February	Ozmine Indonesia 2009

Name of officer	Country visited	Period of travel	Purpose
Jon Mason	UAE & Qatar	27 February – 11 March	Dubai International Boat Show
Michael O'Sullivan	China	12 – 20 March	Establishment of Shanghai office
Michael Harrington	Singapore	15 – 20 March	Global Security Asia 2009 Exhibition
Sue McCreddie	Thailand	17 – 22 March	Asia Pacific Adfest 2009
Thanh Nguyen	Thailand	17 – 22 March	Asia Pacific Adfest 2009
Tracey Taipe (NZ)	Australia	27 – 29 March	Market familiarisation
Warwick Glenn	China	29 March – 03 April	Business mission
Maria Cheong (Hong Kong)	Australia	24 March – 08 April	Accompany China DIY Travel reality TV crew
Barry Buffier	China	29 March – 01 April	Advance Asia 50 Summit
Susan Saretzki	China	30 March – 02 April	Advance Asia 50 Summit
Michael O'Sullivan	Qatar & UAE	18 – 29 April	Meeting with investors
Vince Smith	UAE	18 – 23 April	Cityscape 2009
Warwick Glenn	UAE	18 – 28 April	Support Premier's investment mission
Irene Morgan (USA)	Australia	22 – 28 April	Virtuoso Symposium
Ian Cameron	Middle East	25 April – 09 May	Holiday Show and Travel Mart
Sarah Austin (UK)	Australia	29 April – 12 May	Market familiarisation and workshop
Craig Pearce	China	03 – 10 May	Hofex 2009
Chris Celovic	Korea	13 – 15 May	Seoul Food & Hotel 2009
Shane Coombe	Atlanta, USA	17 – 24 May	Bio 2009
Mary O'Kane	USA	15 – 24 May	Bio 2009
Rhett Gibson	Spain	24 May – 01 June	Carbon Expo 2009
Irene Morgan (USA)	Australia	27 May – 19 June	Australian Tourism Exchange
Yvette Yeo (Singapore)	Australia	28 May – 06 June	Market familiarisation
Jessica Hulst	India	02 – 13 June	Investment mission
Linda Taylor	India	02 – 13 June	Investment mission
Irene Morgan (USA)	Australia	04 – 20 June	Australian Tourism Exchange
Kate Young (UK)	Australia	04 – 20 June	Australian Tourism Exchange
Kyoko Kanehira (Japan)	Australia	06 – 18 June	Australian Tourism Exchange
Oton Wu (Hong Kong)	Australia	06 – 16 June	Australian Tourism Exchange
Siew Hoon Tan (Singapore)	Australia	06 – 16 June	Australian Tourism Exchange
Kate Strange (NZ)	Australia	07 – 16 June	Australian Tourism Exchange
Kate Young (UK)	Australia	07 – 16 June	Australian Tourism Exchange
Siew Hoon Tan (SIN)	Sydney, Australia	07 – 16 June	Australian Tourism Exchange
John Angeles	UK	19 – 30 June	G'Day UK & Skills Expos
Paul Wallbank	France	19 – 29 June	Cannes Advertising Festival
Sue McCreddie	France	19 – 29 June	Cannes Advertising Festival
Barry Buffier	UAE	20 – 23 June	Conduct interviews for new Director, Abu Dhabi
Barry Buffier	UK	23 June – 02 July	Australia Week in UK
Michael O'Sullivan	China	28 June – 06 July	Launch new offices and investment mission
Susan Saretzki	China	28 June – 03 July	Launch new offices and investment mission



## Appendix 19

### Payment of accounts

During the 2008-09 financial year, the department maintained a policy of ensuring payment of accounts by the due date and took advantage of discounts where possible. The department contracts ServiceFirst (formerly known as Central Corporate Services Unit) to process payments in accordance with the department's accounts payment policy. There were no instances during the year where interest was paid for late payment of accounts.

#### PERFORMANCE INDICATORS AND TARGET LEVELS

Aged analysis at the end of each quarter

Quarter Ended	Current (due within due date) (\$)	Less than 30 days overdue (\$)	Between 30 and 60 days overdue (\$)	Between 60 and 90 days overdue (\$)	More than 90 days overdue (\$)
September	1,881,618	0	0	0	0
December	706,373	0	0	0	0
March	528,614	0	0	0	0
June	699,397	0	0	0	0

Accounts paid on time within each quarter

Quarter Ended	Target (%)	Actual (%)	Amount Paid (\$)	Total Amount Paid (\$)
September	95	93	22,299,396	24,083,736
December	95	93	33,189,915	35,572,385
March	95	90	22,991,065	25,503,593
June	95	97	91,356,910	94,561,118

### Action Taken to Improve Payment of Accounts on Time

The actual average result for the financial year of 95 percent meant that the department achieved its target.

The 2009–2010 target for the percentage of accounts paid on time is to be maintained at 95 percent.

## Appendix 20

### Privacy and personal information

The department's Privacy Policy and Privacy Management Plan was updated to incorporate changes to contact information. These publications are available to all staff internally via the department's intranet and publicly available through the department's main web site ([www.business.nsw.gov.au](http://www.business.nsw.gov.au)).

The department provides privacy awareness training to staff to ensure the protection of an individual's privacy. It has a Privacy Officer and Privacy Resource Officers available to advise all staff on privacy issues. All printed and electronic forms and newsletters prepared by the department are reviewed by a Privacy Resource Officer to ensure the inclusion of privacy and spam statements.

The department was not required to undertake any internal reviews of the conduct of any officers in the department, concerning privacy matters, during the reporting year.

In the coming year, it is envisaged that the department will continue to include privacy information in training programs for all staff.

## Appendix 21

### Publications and promotional material

#### CORPORATE PUBLICATIONS

- Annual Report 2007–08
- Fast Facts (DL size – NSW stats)
- NSW Competitiveness Report 2008
- New South Wales Open for Business
- NSW Premiers Mission to China
- NSW Premiers Mission to India

#### INDUSTRY DEVELOPMENT

- AISES Brochure
- AISES Newsletter
- Australian Technology Showcase Showcasing innovative NSW ICT technology
- Australian Technology Showcase Snapshot e-newsletter

- Australian Technology Showcase – where Australian innovation meets the world.
- ATS Financial Services Directory
- ATS Membership Application
- Biotechnology e-newsletter, online
- Biotechnology events email (monthly)
- Biotechnology online directory
- First for Aquaculture
- Food Processing Industry Growth profile
- Information and Communications Technology Industry Growth profile
- Medical Device Industry NSW Australia (CD)
- Metals Manufacturing Industry Growth profile
- NSW Aerospace Industry Directory (CD)
- NSW Aerospace Industry Growth profile
- NSW Biomedical Industry Growth profile
- NSW First for Innovation Research Centres Directory
- NSW Food Export Directory 2008–09
- NSW Manufacturing Council
- NSW Security Capability Directory 2007 (CD)
- NSW Wine and Food map
- NSW Wine Industry profile
- Profiling Innovative NSW Technologies: Environment Sector
- Profiling Innovative NSW Technologies: Financial Sector
- Profiling Innovative NSW Technologies: Security Sector
- Profiling Innovative NSW Technologies: Digital Media
- Western Sydney IT Cluster – Online Members Capabilities Directory
- Western Sydney IT Cluster Working Together for Mutual Benefit flyer
- Western Sydney IT Cluster bi-monthly e-newsletter (5 issues)
- Western Sydney IT Cluster Members Update email (weekly)

#### INVESTMENT DEVELOPMENT

- Bring your talents to Regional New South Wales
- Business Migration (English), (Chinese)
- Business Migration Living in NSW
- Business Owner (permanent) 892 (Chinese)
- Business Owner (provisional) 163 (Chinese)
- Creative Digital NSW Growth Industry Profile
- Doing Business in NSW (English and Chinese)
- Guide to doing Business in NSW
- Guide to doing Business in NSW (Chinese)
- India and New South Wales – a dynamic partnership
- Information and Communications Technology Growth Industry Profile
- Live and work in Sydney & New South Wales
- Living in New South Wales
- Metal Manufacturing
- NSW Innovation Showcase 2009
- NSW and China – the opportunity
- NSW Biomedical Industry
- New South Wales welcomes business migrants
- NSW First for Food and Beverage Processing
- NSW First for Manufacturing
- NSW Aerospace Industry
- NSW wants your expertise in pharmaceuticals and biotechnology
- NSW wants your ICT expertise
- Sydney Major Projects Unit
- Sydney and NSW First for Information and Communications Technology
- Sydney and NSW Asia Pacific's Carbon Market Hub
- Sydney wants your finance expertise
- Sydney welcomes your expertise
- Sydney, Australia Financial Services
- Sydney, NSW Analytics India and New South Wales in partnership
- Sydney, NSW First for Foreign Exchange
- Sydney, NSW First for Funds Management
- Sydney, NSW First for India

**REGIONAL DEVELOPMENT**

- Community Economic Development brochure
- Community Economic Development Program – Berrima success story
- Community Economic Development Program – Festival of Speed on Tweed success story
- Community Economic Development Program – Kyogle success story
- Community Economic Development Program – Murray Shire success story
- Community Economic Development Success Story – Coolamon
- Community Economic Development Success Story – Snowy River
- Ethanol biofuel – cheaper, cleaner, greener and locally made
- Filming in Regional New South Wales, Australia
- Funding Business Growth
- Main Street Small Towns Success Story – Mayfield
- NSW Payroll Tax Incentive Scheme brochure
- Overcoming Skills Shortages: A practical guide for business
- Overcoming Skills Shortages: A practical guide for regional communities
- Regional Capital Raising Program (PDF)
- Regional Development Success Story – Greater Taree
- Regional Distribution Centre Attraction Strategy flyers – Goulburn, Tamworth, Albury, Central Coast, Wagga Wagga, Blayney
- Regional Fact Sheets covering the following; Capital Region, Riverina, Murray Region, Central West, Far West, Orana, Northern Rivers, Mid North Coast, Northern Inland, Illawarra, Central Coast, The Hunter.
- Self help modules promotional DL flyer
- Towns and Villages Futures Success Story – Milparinka
- Your Community, your future

**RETAIL TENANCY UNIT**

- Information Kit for Retail Tenants

**SCIENCE AND MEDICAL RESEARCH**

- NSW Science EXPOsé Competition (fax entry form, email card and bookmark)
- NSW Scientist of the Year (entry form, flyer, program, invite and branded trophies)
- OSMR E-newsletter (bi-monthly)
- Science Exposed (program, expo map, event summary and banners)
- OSMR flyer

**SMALL BUSINESS DEVELOPMENT**

- Aboriginal Business Development brochure
- A Guide to Developing Aboriginal Business
- Business Advisory Services flyer
- Exporters Network registration (pdf)
- Exporting Newsletters (pdf)
- Getting started in Exports Workbook
- Guide to Developing Aboriginal Business
- Independent Market Visit Program
- Innovation Advisory Service – Help With Your Bright Ideas
- Intellectual Property – Fact Sheet
- Manufacturing in Western Sydney
- Small Business Development Corporation; membership brochure, eco-checklist, education brochure and DVD
- Small Business Fact Sheets
  - Advertising and Promotion
  - Are You Ready to Start a Business?
  - Business Planning
  - Business Structure
  - Buying a Business
  - Buying a Franchise
  - Commercial Leases
  - Customer Service
  - Getting Started
  - Insurance
  - Marketing
  - NSW Employment Conditions
  - Raising Finance
  - Taxation
- Small Business September Calendar
- Small Business September Export Calendar
- Stepping Up – Helping your small business grow

- Stepping Up Mentor Application and Brochure (pdf)
- Stepping Up: Contractor Information Pack
- Western Sydney Update (email)
- Women in Business – Mentoring Program
- Women in Business – Regional Program
- Women in Business Success Stories
  - Bryony Preece, Groovy Grandmas
  - Tania Notaris, Envirolab
- Women in Manufacturing (flyer)

**TOURISM NSW**

- 100 Years of Tourism Book
- Aboriginal Product Manual
- ATE 08 Marketing Fact Sheets – DVD
- ATE 08 Media Fact Sheets – USB
- Aviation Welcome Pack
- Barrington Tops DL
- Best Bush Map (in partnership with Dept of Lands, Forests NSW, National Parks and Wildlife Service) hard copy
- Business Tourism Fact Sheet
- Escapes Monthly E-Newsletter
- G'Day USA 2008 Media Kit
- Heart of Country NSW Holiday Planner
- Incentive brochure – English Version
- Incentive brochure – Simplified Chinese version
- Indigenous Principles brochure
- International Delegate booster
- International Market Profiles (for top markets to New South Wales) – updated twice per year
- International Marketing Prospectus
- Lord Howe Island NSW Holiday Planner
- North Coast of NSW Holiday Planner
- NSW Regional Marketing Prospectus
- NSW Tourism Awards 08 Entrants Prospectus
- NSW Tourism Awards 08 Sponsorship Prospectus
- NSW Uncovered media newsletter
- Outback NSW Holiday Planner
- Pacific Coast Touring Route

- Regional Events Calendar
- Regional Tourism Snapshots (for 15 Tourism Regions of NSW) – updated Quarterly
- Snowy Mountains NSW Holiday Planner
- South Coast of NSW Holiday Planner
- Start Smart brochure
- Start Smart Fact sheets
- State Tourism Snapshot (updated Quarterly)
- Sydney & New South Wales International Holiday Planner – English version
- Sydney & New South Wales International Holiday Planner – Simplified Chinese version
- Sydney Events brochure
- Sydney Marketing Prospectus
- Sydney Summer campaign – Sunday Magazine
- Sydney Summer Events brochure
- Sydney Summer Events Media CD
- Sydney to Melbourne Drive
- Sydney Uncovered media newsletter
- The NSW Cruise Market – A discussion paper
- Travel Safely Australia (in partnership with State, Territory and Commonwealth Governments) web based and hard copy
- Working Together – a guide to working with Tourism NSW

## Appendix 22

### Research and development

During 2008–09, the department continued to engage the Hunter Valley Research Foundation and the Illawarra Regional Information Service to provide research and information services to assist their regional communities, government, business, and academic institutions. As well as specialising in economic, community and industry research and analyses, these organisations provide publications, data sheets, presentations and other resources and consultancy services that assist business and investment planning.

Tourism NSW continued to provide research funding and advice for a range of studies and surveys. During the year, funding was provided for:

- National, International Visitor Surveys and Destination Visitor Surveys by Tourism Research Australia
- International consumer research by Tourism Australia
- Brand Health Tracking
- Advertising evaluation studies
- Conversion Study
- Regional tourism snapshots
- International market profiles
- Backpackers snapshot by Tourism Research Australia
- Nature tourism snapshot by Tourism Research Australia
- Bed and breakfast tourism by Tourism Research Australia
- Backpacker accommodation by Tourism Research Australia
- Caravan or camping by Tourism Research Australia
- Cultural and heritage tourism by Tourism Research Australia
- Mature Age Visitors by Tourism Research Australia
- Food and wine tourism by Tourism Research Australia
- Indigenous tourism visitors by Tourism Research Australia
- Over 55's Market Study
- Aviation analysis
- A study of emerging international markets (China & India)
- Sustainable Tourism Cooperative

Research Centre projects including Visitor Tracking Study (UTS) and New South Wales Tourism Satellite Accounts (UNSW).

Tourism NSW allocated funds to assist in developing partnership opportunities with key cultural institutions including Regional Arts NSW and key CBD cultural institutions. Specialised market intelligence into culture and heritage visitors was prepared to assist with future business planning for partners.

The department's Office for Science and Medical Research provided funding to New South Wales research and development through a range of programs including:

- BioFirst Awards
- Life Sciences Research Awards
- Medical Research Support Program (MRSP)
- NSW-China Collaborative Research Program
- Networks and Research Program
- Joint NSW/VIC Stem Cell Grants Program
- NSW Cooperative Research Centres (CRCs) Science Leveraging Fund Program
- NSW National Collaborative Research Infrastructure Strategy (NCRIS) Science Leveraging Program
- NSW Australian Research Council Centres of Excellence Science Leveraging Fund Program
- Spinal Cord Injury & Related Neurological Conditions Grants Program.

## Appendix 23

### Risk management and insurance

#### RISK MANAGEMENT

The department regularly reviews and updates as appropriate its risk management policy. This process continues the department's efforts to assess and manage risk. These will enhance the achievement of the department's objectives and service delivery through more effective staff involvement in applying risk management techniques and incorporating risk management into their daily responsibilities.

#### INSURANCE ACTIVITIES

The department is insured through the Treasury Managed Fund, a self insurance scheme administered by the GIO and Allianz. The coverage provided by the scheme is all inclusive, and policies are held for Workers Compensation, Commercial Motor Vehicles, Property, Miscellaneous and Public Liability.

A summary of claims paid by the Managed Fund during the 2008-09 financial year follows:

Policy	No of Claims	Amount Paid (\$)	Reserve Balance (\$)	Recovered to date (\$)	Net Incurred (\$)
Workers Compensation	3	1,322	62,912	0	64,234
Motor vehicles	16	72,134	1,776	15,408	58,502
Property	0	0	0	0	0
Public Liability	1	0	0	0	0
Miscellaneous	0	0	0	0	0
<b>Total</b>	<b>20</b>	<b>73,456</b>	<b>64,688</b>	<b>15,408</b>	<b>122,736</b>

An analysis of the current year's claims compared with the previous year confirms a 50 percent decrease in the number of claims and the actual amount paid resulting in an overall premium decrease of 5 percent for the 2009-2010 year.

## Appendix 24

### Senior executive service (SES)

Each SES Officer develops an annual performance agreement which sets out their principal responsibilities and tasks for the year. Each SES Officer undergoes a formal assessment with the Director General of their outcomes against the performance agreement. The assessment also takes into account their personal contribution to achieving overall corporate objectives.

Senior Executive Service Officers during the reporting period:

Name	Sex	Position Title	Level
Barry BUFFIER	M	Director General	8
Janine RICKETTS	F	Executive Director, Policy and Resources	3
Warwick GLENN	M	Executive Director, Investment and Industry Development	5
Michael O'SULLIVAN	M	A/Executive Director, International Markets and Trade	4
Michael CULLEN	M	Executive Director, Enterprise, Small Business and Regional Development	5
Lyndel GRAY	F	Executive Director and General Manager, Tourism NSW	5
Catriona FRASER	F	Director, Group Communications, Tourism NSW	2
Derek VAN DYK	M	Director, Science Research, Office for Science and Medical Research	2
Wayne LANGE	M	Executive Director, Governance and Organisational Support	3
Gerard CUDMORE	M	Director, Medical Research, Innovation Research and Policy	2

Notes: Ms Ricketts declared an unattached SES officer in May, 2009.

Ms Fraser declared an unattached SES officer in March, 2009.

Mr Van Dyk declared an unattached SES officer in March, 2009.

Number of executive positions at each level	2005-06	2006-07	2007-08	2008-09
Level 1	1	1	1	0
Level 2	5	6	6	2
Level 3	6	6	6	3
Level 4	1	1	1	1
Level 5	0	0	2	3
Level 6	0	0	0	0
Level 7	1	1	1	0
Level 8	0	0	1	1
<b>Female executive officers</b>				<b>At 30 June 2009</b>
Level 5	0	0	0	1
Level 3	3	3	3	1
Level 2	4	3	2	1

Notes: The positions of Executive Director, Enterprise Small Business and Regional Development, Executive Director, Investment and Industry Development, Executive Director, Innovation Research and Policy, Executive Director, International Markets and Trade and Executive Director, Governance and Organisational Support, and Position of Director, International Markets and Director, Visit Sydney were created

#### EXECUTIVE PERFORMANCE – ALL EXECUTIVE OFFICERS LEVEL 5 AND ABOVE

##### Barry Buffier BRurSc (Hons), MEC, Churchill Fellow, FAICD

Director General, Department of  
State and Regional Development  
SES Level 8

Total remuneration package per annum:  
\$423,141 plus allowance of \$41,200

##### Period in position:

1 July 2008 to 30 June 2009

The Minister for State Development,  
the Hon Ian Macdonald has determined  
that during the reporting period,  
Mr Buffier met all of the performance  
criteria for the position.

Key achievements during the year include:

- exceeded the targets for jobs and investment outcomes for the State
- facilitated key recommendations arising from the Government's Job Summits
- implemented a new departmental structure for Department of State and Regional Development
- developed the NSW action plan to support growth in the financial services sector
- implemented of the recommendations of the Government's review of tourism in NSW

- established the 14 new NSW Regional Development Australia Committees
- worked with local partners to deliver Regional Business Growth Plans
- increased the NSW share of Commonwealth Research Grants
- established the office of the NSW Chief Scientist and Scientific Engineer and the appointment of a NSW Defence Advisor
- secured significant international investment in film productions including two large scale animated productions
- delivered the State's "Building the Country" package including the Local Infrastructure Support Fund resulting in significant economic development outcomes in regional and rural NSW
- held the 2008 Small Business September program of business seminars, and workshops which featured 368 events and were attended by more than 40,000 people.

##### Michael Cullen BCom (Ec)

Executive Director, Enterprise,  
Small Business and Regional  
Development, Department of  
State and Regional Development  
SES Level 5

Total remuneration package  
per annum: \$ 225,201

##### Period in position:

11 February to 30 June 2009

The Director General, Barry Buffier  
is satisfied that during the reporting  
period, Mr Cullen met all of the  
performance criteria for the position.

##### Warwick Glenn BSc (Eng)

Executive Director, Investment and  
Industry Development, Department  
of State and Regional Development  
SES Level 5

Total remuneration package  
per annum: \$ 235,000

##### Period in position:

11 February to 30 June 2009

The Director General, Barry Buffier  
is satisfied that during the reporting  
period, Mr Glenn met all of the  
performance criteria for the position.

##### Lyndel Gray GAICD

Executive Director and General  
Manager, Tourism NSW, Department  
of State and Regional Development  
SES Level 5

Total remuneration package  
per annum: \$225,201

##### Period in position:

26 November 2008 to 30 June 2009

The Director General, Barry Buffier  
is satisfied that during the reporting  
period, Ms Gray met all of the  
performance criteria for the position.



## Appendix 25

### Significant committee membership

Name	Committee
Elisabeth Allen	NSW Marine Parks Advisory Council; TAPAF Tourism and Protected Areas Forum
Marjorie Anderson	National Tourism Incident Response Plan
Chris Armstrong	Australian Synchrotron Operator Science/Technical Evaluation Working Group; Science and Innovation Advisory Panel
Marlene Bailey	OH&S Workplace Committee (Sydney International Airport)
Keith Baker	Observer, Capital Country Board
John Bates	ASCOT Tourism and Climate Change Sub-Committee; Ministerial Taskforce on Tourism and Education; Ministerial Taskforce on Tourism and Parks; National Tourism Accreditation Framework Joint Working Group; National Tourism and Aviation Advisory Committee; NSW Government Taskforce on Tillegra Dam; Observer, New England North West Board
Carmel Beattie	Observer, Northern Rivers Board
Mandy Bellingham	Observer, Blue Mountains Board (From Mar09); Observer, Central Coast Board (From Mar09); Sydney Melbourne Touring
Jenny Bidwell	YHA Marketing & Membership Committee
Nicole Braden	ATEC NSW Branch Committee; ATEC Symposium 2008 Committee, Australian Tourism Export Council; Sydney Melbourne Touring Committee
Barry Buffier	Australian Centre for International Agricultural Research; Biofuels Expert Panel; Brand Sydney Steering Committee ; CEOs Business and Economic Development Cluster; CEOs Climate Change Group; CEOs Metropolitan Strategy Group; CEOs Network; CES/SES Remuneration Review Reference Group ; Chief Executives Committee; Commonwealth Standing Committee on Regional Development; Economic Development Forum; Industry Capability Network; National ICT Australia Limited – representative partner; NSW Aboriginal Business Roundtable ; NSW Drought Strategy Group ; NSW Film Roundtable ; NSW Innovation Council; NSW Manufacturing Council; NSW Skills Council; NSW Small Business Development Corporation; NSW Wine Industry R&D Advisory Council; Premier’s Business Roundtable ; Science Agencies Group; Small Business Regulation Review Taskforce; Strategic Events Development Group; Tourism NSW Board; V8 Supercars Steering Committee
Ian Cameron	Approved Destination Status – ADS Advisory Panel; The Australian India Business council (TTH Chapter); Tourism Consumer Protection Working Group
Geoff Coleman	The Biotechnology Liaison Committee
Shane Coombe	AusBiotech NSW; AusMedTech NSW; Australia New Zealand Biotech Alliance; Committee for Marketing of Australian Biotechnology; NSW – Gangwon Technology Collaboration Working Group
Justine Cooper	Events Liaison Group; Observer, Tourism Snowy Mountains Board
Gerard Cudmore	Cardiovascular Research Network Management Committee; Darlinghurst Research Hub; Medical Research Hub Liaison Group; Northern Sydney Medical Research Hub Advisory Committee; Westmead Research Hub Council
Michael Cullen	Hunter Advantage Fund Assessment Committee; Illawarra Advantage Fund Assessment Committee; Standing Committee on Regional Development
Tom Czarnota	Government Business Enterprise Network
Barbara de Rome	National Parks and Wildlife Service, Sydney District Advisory Committee; Observer, Riverina Board; Quarantine Station Community Committee, Goat Island Reference Group
Kerry Doyle	Biotechnology Liaison Committee – External; Hub Liaison Group; Science Agencies Group; Medical Research Hub Liaison Group; Science Agencies Group; University/Government Working Group
Jacques Dulaurent	OH&S Workplace Committee (The Rocks)
Roger Evans	Tourism Research Committee

Name	Committee
Reg Fisk	Redfern Waterloo Ministerial Advisory Committee; Urban Renewal Planning Group
Lazaros Georgiadis	International Trade Users Group; Statistical Coordination and Users Forum
Eileen Gilliland	Murray Campaign Committee; Observer, Mid North Coast Board
Diane Glasson	Events Media Working Group; Observer, Central NSW Tourism Board
Warwick Glenn	Australian Financial Centre Forum Reference Group; National Investment and Advisory Board
John Grady	CCSU Internal Audit Committee
Jim Grant	Albury Wodonga Corporation Land Disposal Advisory Committee; Albury Wodonga Land Disposal Advisory Committee; Riverina Murray Private Forestry Development Committee; Riverina Murray Softwoods Working Group
Lyndel Gray	2009 World Masters Games Marketing Committee; 2009 World Masters Games Marketing Sub – Committee; Australian Standing Committee on Tourism (ASCOT); Business Events Sydney (Special Adviser); National Tourism and Aviation Advisory Committee; NSW FIFA World Cup Taskforce; Observer, South Coast Illawarra Board; State Tourism Offices Chief Executive Officers Forum; Sydney 2009 World Masters Games CEO meeting; Sydney Convention and Visitors Bureau
Peter Gray	Australian Technology Showcase National Committee
Tony Green	Board of Illawarra Innovative Industry Network (i3net); Illawarra Regional Airport Management Committee
Heather Irvine	Albury Wodonga Area Consultative Committee
Susan Jansen	Senior Officers' Committee on Drugs and Alcohol
Olivia Jenkins	Sustainable Tourism CRC (NSW); Tourism Research Committee
Bob Johnson	National ICT Australia Centre of Excellence Liaison Committee
Leanne Joyce	National Marketing Group conducted by Invest Australia
Paul Judge	Australian Wine and Brandy Corporation – States Alliance; DSRD Joint Consultative Committee; NSW Intensive Agriculture Consultative Committee; NSW Pork Industry Taskforce
Steven Kerlander	The Warren Centre for Advanced Engineering Major Projects Committee
Wayne Lange	ATDW Pty Ltd; National Online Steering Committee (NOSC)
Rhonda Lawrie	Southern Highlands Jobs Careers Expo
Dean Long	National Tourist Signposting Reference Group; Sydney Melbourne Touring (From Mar 09); Tourist Attraction Signposting Assessment Committee
Bill Mabey	Clarence River Way Project Management Committee; Mt Warning Culdera National Landscapes Committee; Rainforest Way Project Management Committee; Regional Co-ordination Management Group – Northern Area; Regional Co-ordination Management Group – The Hunter Area
Tom McAlary	Commonwealth/States Working Party on Skilled Migration; NSW Government Immigration Settlement Planning Committee
Barry McDonald	Country Energy South East Regional Advisory Board
Alan McGuigan	Local Government and Shires Association Tourism Conference Steering Committee; Tourism Industry Forum (TIF)
Colin McLean	Australian Regional Tourism Network; Observer, Blue Mountains Board (July08 – Mar09); Observer, Central Coast Board (July08 – Mar09)
Bob Moes	Blue Mountains Cultural Centre and Mixed Use Development – Project Control Group
Meg Montgomery	Biodiscovery Working Group (a sub-committee of the Biotechnology Liaison Committee) – External; NSW Science Week Committee
Dominica Nelson	Observer, Outback Board
Margaret O'Dwyer	Regional Co-ordination Management Group – Riverina Murray; Regional Co-Ordination Management Group, Illawarra & South East
Anne O'Neil	Population Health Research Network

Name	Committee
Michael O'Sullivan	Australian International Sporting Events Secretariat; Australian Synchrotron Research Program; Commonwealth, State and Territories Advisory Committee on Innovation; NSW Air Freight and Sea Freight Councils; The Bandwidth Foundry
Mara Patterson	City of Sydney Organising Group (CSOG) monthly at CEED; Events Liaison Group (ELG) at Events NSW, monthly at Events NSW
Alok Ralhan	NSW State Aviation Working Group (appointed 12 June 2009)
Steve Rank	National Executive of Small Business Agencies; NSW Enterprise Working Board; NSW Entrepreneurship Centre Pty Ltd
Janine Ricketts	Department of Commerce Central Corporate Services Unit Client Senior Officer Group; Metro CEO's Senior Officers Group; Ministerial Council on International Trade Standing Committee of Officials; NSW Property Council Economic Development Committee; NSW Skills Council; State Contracts Control Board
Chris Rivett	Advisory Board for Hitwise
Tony Sansom	Hunter Institute Advisory Council; Tillegra Dam Taskforce
Julie Scott	GROW Area Consultative Committee July 08 – March 09; Small Business Development Corporation; Small Business Ministerial Council Officials Standing Committee; Small Business Regulation Review Taskforce
Bernadette Selfe	Redfern Waterloo Authority Ministerial Advisory Board; Steering Group for the participation in Construction; Two ways Together Economic Development Cluster Group
Rachel Sieff	Committee for Marketing ICT Australia (CoMICTA); Embedded Systems Australia Steering Committee; NSW.net Cluster Steering Committee
Justine Smith	Accredited Visitor Information Centre Industry Reference Group; Backpackers Operators Association; Sydney Tourism Information Program
Vince Smith	Australian Institute of Exporters Advisory Board
Natalie Stepanenko	Australasian Compliance Institute; Council of Small Business Associations of Australia; Government Enterprise Business Network; Green Skills Advisory Board (DET); Small Business Ministerial Council Climate Change Working Group; Small Business Ministerial Council Retail Tenancy Working Group; Standards Australia (Complaints Handling Standard Committee)
Allen Treanor	ABN Business Names Steering Committee; NSW Building Industry Coordination Committee; NSW State Aviation Working Group; Small Business Ministerial Council Climate Change Working Group; Standing Committee On Transport – Aviation Working Group
Rowena Tucker	Cancer Institute NSW Cancer Research Advisory Committee; Cardiovascular Research Network Management Committee; Darlinghurst Research Hub; Hub Liaison Group; Northern Sydney Medical Research Hub Advisory Committee; Population Health Research Network; Westmead Research Hub Council
Derek Van Dyk	Commonwealth, State and Territory Advisory Council on Innovation; Environmental Trust Technical Committee; Nanotechnology States and Territories Committee; NCRIS States and Territories Officials Committee; Science and Innovation Advisory Panel
Patricia Wilkinson	Management Group – Riverina; Regional Co-Ordination; Regional Co-Ordination Management Group – New England/North West; Regional Co-Ordination Management Group – Riverina; Regional Co-Ordination Management Group – Western Area
Anthony Williams	Aboriginal Advisory Board; Hawkesbury-Nepean Catchment Management Authority Board; Transfield Services Australian P/L
Sally Williams	Australian-Arab Chamber of Commerce Management Committee
Trevor Wilson	Southern Cross University Council
Adrian Wood	Australia China Business Council, Member NSW Board (Ex Officio)

## Appendix 26

### Occupational health and safety

The department continues to focus on providing a safe and healthy working environment for its staff. The department's main goal is to minimise accidents and injuries by taking preventative measures and promoting healthy work practices and programs.

All workplace incidents and injuries were investigated and appropriate injury management, intervention and return to work programs implemented.

Key activities for the year included:

- New Occupational Health and Safety Committee members were elected to replace retiring members and provided with appropriate training
- Quarterly Committee meetings were held to deal with issues state-wide.
- Government's Working Together Strategy was monitored and reported on
- OHS workplace inspections and individual workstation assessments conducted as required
- Safe work and workstation assessments were conducted for staff relocating as part of the department's restructure process
- First Aid Room was commissioned and two Occupational First Aid Officers were trained
- Free flu vaccinations were provided to more than 100 staff
- The department participated in Safety Week, running a series of activities and events and information sessions
- Claims reviews held quarterly with the department's insurer, Allianz
- The department's Overseas Travel, Risk Management and Personal Effects Policy were reviewed and updated to include recommendations from an evaluation committee report commissioned after the Mumbai incident in India.

Four workers compensation claims were lodged in the reporting year which represents a 25 per cent reduction in number claims lodged from the previous year.

There were no injuries or prosecutions under the *Occupational Health and Safety Act 2002*.

### Staff Support Services

The department continued its Employee Assistance Program (EAP) to provide a 24-hour, seven day a week independent and confidential counselling services to staff and their family members.

These services were used to support staff, their families and others affected by the terrorist incident in Mumbai.

## Access

### Industry and Investment NSW

#### STATE & REGIONAL DEVELOPMENT AND TOURISM DIVISION

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##### Office hours:

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ISSN 1327-8177

Published by the NSW Department of State and Regional Development

Total Cost: report preparation: \$41,089

Designed by: Equation Corporate Design

An electronic copy of the Annual Report is available on our website: [www.business.nsw.gov.au](http://www.business.nsw.gov.au)

# Notes

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